



# Impact of the oil and gas industry on human security: relation between the national and the human.

## Case study: the Nenets Autonomous Okrug, Russia



**Elena Dubinina**

*Master's thesis in Peace and Conflict Transformation  
Faculty of Social Sciences  
University of Tromsø  
Autumn 2008*

## Table of contents

Acknowledgements	3
General statement of the problem	5
Research question	6
Chapter 1. Introduction to the field	9
Russia and hydrocarbons	9
The Nenets Autonomous Okrug	10
Relations between the NAO and the Arkhangelsk Oblast	13
Indigenous peoples and reindeer herding	14
Oil industry in the NAO	15
Environmental concerns	16
Why is the NAO a unique case?	17
The complexity of the issue	18
Chapter 2. Theoretical background: human security	19
Brief literature overview	19
a. National security approaches	19
b. Energy security	21
c. Human security approaches	22
Values and interests: relevance for security	26
Chapter 3. Methodology	29
Epistemological standpoint	29
My role as a researcher	30
Methods and my fieldwork	30
a. Open-ended interviews	31
b. Documents and scientific works	32
c. Other methods	33
Ethical and security considerations	33
Lessons learned	34
Conclusion: methods	34
Chapter 4. Interests and values of the state and the local population	37
State level: the national interests	37
Regional level. Values of the local people	39
The indigenous peoples	40
The non-indigenous locals	42
What is security?	45
Different people – same values?	46
Chapter 5. Economic security	47
Tax payments	47
Incomes and salaries	48
a. Absolute numbers	48
b. Relative numbers	49
c. Social stratification	50
Employment	51
Strategy	53
Discussion	54
Chapter 6. Environmental security	57
Ecological impact of the oil and gas activities (general)	57
Quality and quantity of reindeer pastures	58
Challenges of environmental control	60

a. The economics of the environment	60
b. Impartiality	61
c. The legal dimensions of the environment	61
The Kumzhinskoe field	63
Positive security measures	64
Discussion	65
Chapter 7. Political security	67
Public initiatives	67
The Media	69
Public participation: public hearings	69
“Yasavei”: positive measures	71
Reindeer herders protecting themselves	73
Varandey case	73
Discussion	75
Conclusion	79
Bibliography	83
Literature	83
Master thesis	86
Articles on the Internet	86
Official documents, statements and statistics	89
E-mail	90
List of interviewees	91
List of figures	92
Appendix	93

## **Acknowledgements**

My special thanks to

My supervisor Gunhild Hoogensen, to Maria Lvova and Halgeir Holthe, for helping me with working at my thesis, useful insights and thought-provoking critics,

All my informants and interviewees, for their time, their wish to participate and their insights,

My second cousin Irina Goncharova and her family, for their endless kindness and assistance in my fieldwork, for hosting me at their place in Naryan-Mar during my two stays there,

IPY GAPS project, for giving me the opportunity to go back to the field for the second time,

Victoria Bezborodova, for creative graphic design – the cover, figures,

My family and friends, for loving me and inspiring in work.



## GENERAL STATEMENT OF THE PROBLEM

The oil and gas industry plays extremely important role in the economy and politics of the Russian Federation. The budget of the state is largely dependent on extraction taxes and revenues coming from the export of oil and gas. The importance of the oil and gas industry for Russia is explained in the Energy Strategy of Russia for the Period of up to 2020: “Russia possesses great energy and a powerful fuel and energy complex, which is the basis of economic development and the instrument of carrying the internal and external policy”. Economic development of the state at the same time is considered to be the basis for realization of national interests of the state. Thus, the fuel and energy complex is a significant issue in the national interests of the state. It is in the Russian national interests that the country produces enough oil and gas in order to supply both the internal and external markets, as well acquiring revenues from taxes.

Economic development of Russia is treated as providing the national security. Thus, national security of Russia is very much dependent on energy, or on security of energy production, supply and demand, i.e. on energy security (Bahgat 2006; Constantini et al. 2007; Westgaard 2007). Russia, being a centralized state, rules all the issues of national security concern from the center. However, the very industrial activities of the oil and gas industry are taking place at concrete sites, in the far-away regions of this enormous country – in such sites as Western Siberia, the Volga region, the Northern Caucasus, and relatively new fields such as European North (Timan-Pechora region), Eastern Siberia and the Far East. In the process of providing national security, the state, being the major power, uses its right to speak in the name of its society (Buzan 1995). ‘National security’ arguments are used by the authorities in order to legitimize actions on their part. However, national security does not necessarily mean security of people in their everyday lives: “secure state does not always mean secure people” (Hoogensen 2005:125). The focus on local people living together with industrial activities thus must be made. For that purpose I am going to apply the concept of human security.

Human security focuses on people’s own perceptions of their in/security and their articulations of opportunities and threats in their everyday lives. Human security is strongly linked to notions of values and interests. And since they may be different in different places, the concept of human security is regionally bound (Burgess 2007:97). Thus, people may have different views on what security means for them.

The research site for the thesis is the Nenets Autonomous Okrug (NAO), which in the year 2005 occupied the fifth place in the Russian oil production and the seventh place in gas production. The volumes of extraction are very much likely to grow in the future, with the oil and gas industry gaining the greater portion of the regional economic system. The region is also

characterized by traditionally being home for indigenous peoples involved in reindeer herding and fishing, as well a vulnerable ecosystem of the Northern tundra, and geographical “detachment” of the region due to the ill-developed transportation system.

The oil and gas industry, as any other industry, and its activities are associated with environmental pollution. At the same time, the Okrug’s economy is dependent on oil and gas industry which provides it with significant revenues. How are these factors related to people’s own interests and values? Do they contribute to human security or insecurity?

Epistemologically, I support constructivism stating that all facts are socially constructed (Kukla 2000:5). Thus, the notions of security and human security are also socially constructed. They are constructed by different ways of producing meaning, thus by different discourses – the policy makers and the business companies, the local people and the academics. The interrelation between discourses (“discursive struggle”) defines the notion of security. The policy makers articulate the discourse (or state security discourse) which a priori is more powerful than that of the local people (the human security discourse) or the academicians’. However, the human security concept is intended to make this discourse heard and empowered by referring to the security discussions paradigm. Thus, the interrelation between the more powerful and the less powerful discourses (dominant and non-dominant) is going to be in focus (Hoogensen and Stuvøy 2006).

The research question for the present paper is:

*How is human security identified and realized in the Nenets Autonomous Okrug in the context of oil and gas production?*

This question can be split in several sub-questions:

1. How can human security be problematized in relation to the oil and gas industry in the Nenets Autonomous Okrug?
2. How the state’s and the local people’s interests relate to each other in relation to the oil and gas production?
3. How does this relation influence human security of the local people in the Okrug?

Out of the main research question and sub-questions, the following outline of the project is established:

- Provide a short introduction into the field of the study describing the region and the oil and gas industry in it.

- Provide a literature overview of the concept of human security in order to show its complexity, its relationship with values and interests, and the use of this complexity for analytical purposes of the paper
- Identify general values of the state, which can be relevant for the discussion; identify interests of the state in the oil and gas industry, specifically in the Nenets Autonomous Okrug.
- Basing on the results of the fieldwork, identify values of the local population in order to make a regionally bound definition of human security; choose some of the values for the analysis
- Analyze how the oil and gas industry's activities and the state's interest in them correlate with the chosen values of the local population.
- Analyze the correlation between the state security and human security (that of the local population in the NAO) in the concrete context of development of hydrocarbon resources in the Nenets Autonomous Okrug.





## CHAPTER 1. INTRODUCTION TO THE FIELD

The purpose of the present chapter is to provide a reader with brief description of importance of oil and gas to the Russian Federation, the region where I did my fieldwork and which is the case study for the present thesis and the development of the oil and gas industry there.

### RUSSIA AND HYDROCARBONS

The Russian economy, the revenues of the Russian budget, is critically dependent on producing and export of raw materials. Nowadays, the most significant export item for Russia is oil, which makes up to one third of all exports (almost USD 102 mill of appr. USD 301 mill in 2006), then comes petrochemicals (USD 44,6 mill), natural gas (USD 43,89 mill), ferrous metals (USD 18,89 mill), etc. (Goskomstat). According to Kai Lie, the export of petroleum products accounts for 30% of the Russian GDP (Lie 2007).

The international role of Russia as an oil and gas exporter is very important. With the political instability of the Middle East, the European Union and the United States are becoming more and more dependent on the Russian oil and gas (Lie 2007). China has also become a large partner for Russia in the petroleum sector and will import much of the Russian gas. Thus, oil and gas has a crucial political importance for today's Russia, which can mean that the production and export will grow.

High (and increasing) prices for oil on the international market mean extra revenues to the oil and gas companies. However, the companies pay high taxes to the state – up to 65-70% of the cash disbursements of the companies themselves. Thus, the state budget acquires a lot: The oil industry provided, for example, 34.9% of the revenue side of the state budget in 2006.

There are several significant regions producing raw materials in the country. According to the Typology of the subjects<sup>1</sup> of the Russian Federation according to their socio-economic development, worked out by the Ministry of Regional Development, there 9 such subjects of the Federation out of the total number of 89 subjects. All of them are characterized by the following: the regions are the raw material producing zones of Russia; they are export-oriented territories; the majority of infrastructure projects of the last decade in the regions are aimed at supplying

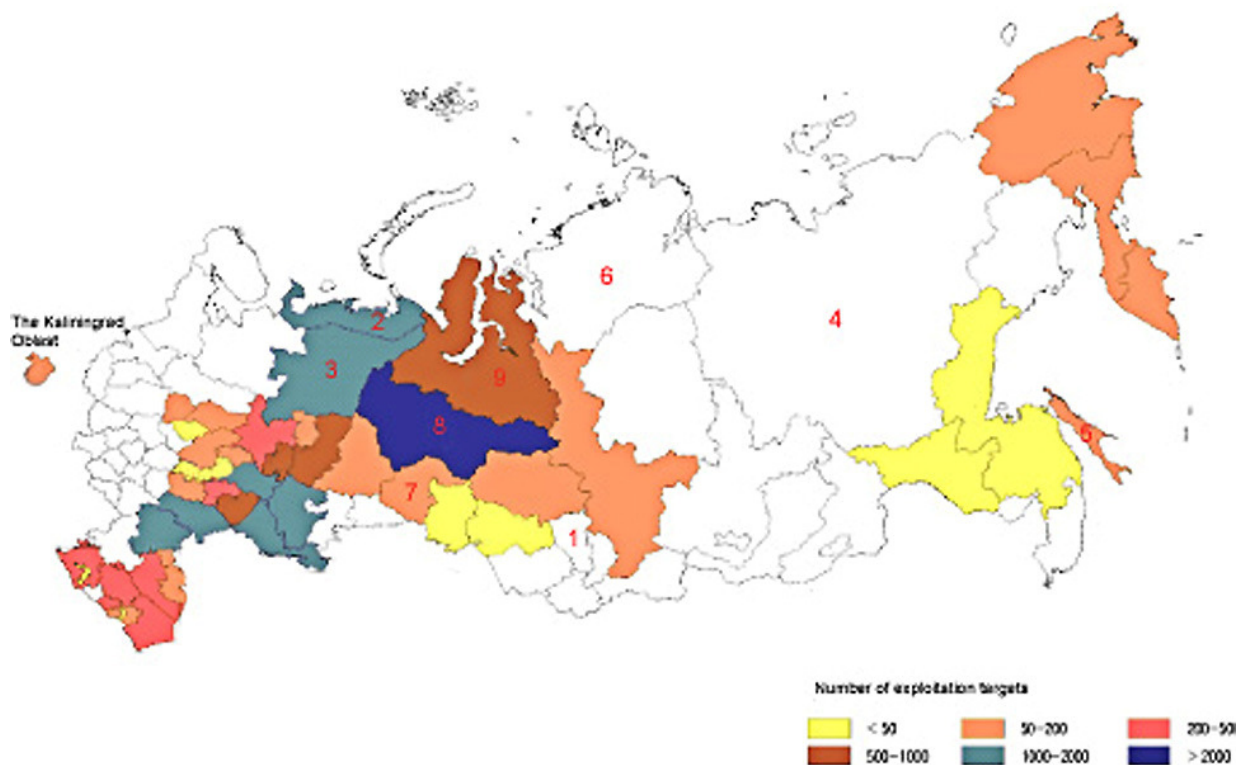
---

<sup>1</sup> Subject of a federation is a state unit inside a federation. Every federative state consists of subjects of federation which are called differently: states in the USA and India, provinces in Argentina and Pakistan. There are six types of subjects in the Russia Federation: republic (inside the federation), krai, oblast, federal city, autonomous oblast and autonomous okrug. All the subjects in the federation are equal in their relations with the state authorities, according to the Russian Constitution. However, regarding the state legal status there are differences between these six types of subjects. These differences are determined by the legislation and concern for example that republics have right to adopt their own constitutions, while other types of subjects adopt only statutes. (Online law dictionary, my translation).

(maintaining) the economy in transition<sup>2</sup>; there is absence of highly organized urbanization of the living conditions (Ministerstvo regionalnogo razvitiya 2007).

The present paper focuses on the Nenets Autonomous Okrug out of the list of those nine. The description of the region and its comparison to an other region in the North of Russia will explain why the Nenets Autonomous Okrug has been chosen as topic for this work and why the problematization of co-existence of different economic modes of living in the Nenets Autonomous Okrug is unique.

Figure 1. Map of distribution of oil reserves in Russia<sup>3</sup>



The following regions are designated with numbers on the map:

- |                                |  |
|--------------------------------|--|
| 1. the Kemerovo Oblast         | 6. the Dolgano-Nenets Autonomous Okrug |
| 2. the Nenets Autonomous Okrug | 7. the Tyumen Oblast                   |
| 3. the Komi Republic           | 8. the Khanty-Mansi Autonomous Okrug   |
| 4. the Republic of Sakha       | 9. the Yamal-Nenets Autonomous Okrug   |
| 5. the Sakhalin Oblast         |  |

## THE NENETS AUTONOMOUS OKRUG

The Nenets National Okrug<sup>4</sup> was established on July, 15, 1929 and it became the first national okrug in the Russian North. On October, 7, 1977 in was renamed into the Nenets

<sup>2</sup> In case of Russia it means transition from centralized to market economy (Online economic dictionary, my translation).

<sup>3</sup> <http://www.rb.ru/biz/markets/show/89>

<sup>4</sup> In this chapter I am going to use excessively the following articles without further referencing to them in particular: Stammler and Forbes (2006), Tuisku (2002a,b).

Autonomous Okrug (the NAO). According to the Constitution of the Russian Federation of 1993, the NAO became an independent subject of the Federation (Administration). The territory of 176.81 sq.km (including the islands Vaigatch and Kolguev) is almost entirely north of the Arctic Circle.

The Okrug's capital, Naryan-Mar, and the urban type settlement, Amderma, are the only urban settlements. The rest of the territory is rural.

The NAO has a permanent population of 41.9 thousand inhabitants with the population density of 0.2 man/sq.km. Half of the Okrug population lives in Naryan-Mar. The majority of the population are Russians. The indigenous Nenets population accounts for 15.2 %, or 6,381 people. Another indigenous people living in the Okrug is the Komi, whose number was equal to 4510 according to the All-Russia Census in 2002 (Vserossijskaya). Altogether, there are people of 75 different nationalities living in the Okrug. The growth of the number of nationalities represented in the Okrug, as well as the growth of urban population, characterized the exploration period started in the 1960s (Tuisku 2008).

The migration of the population has changed dramatically during the last decade. In the 1997 the overall migration result (equal to number of those coming reduced by the number of those leaving) was equal to -212 per 10000 people (Goskomstat), diminishing and for the first time being positive in 2002, when it was equal to +178.5 per 10000 people. This rapid increase is explained, according to Tuula Tuisku, by the economic activities in the Okrug (Tuisku 2008), that is the oil and gas activities. The population increase stabilized and decreased in the following years. In the years 2005 and 2006 it was again negative, while in the 2007 it was positive again. Thus, the overall situation with migration is not stable. It is typical for the Okrug that many young people leave it in order to acquire higher education and do not return back.

Since the middle of 1990s the Federal Program of resettlement of people living in the high North has been in effect, sending people to regions of Russia that are climatically more favorable. It is interesting to emphasize, that the number of people willing to leave the Okrug is quite large: in 2006 it was about 7 thousand people (Bolee semi 2006).

Economically the Okrug is entirely dependent on the oil and gas industry. But situation was different several decades ago. In the 1960s and up to the beginning of 1990s the economic base of the Okrug was reindeer herding and fishing as well as processing of renewable resources: fish, meat and wood. This early period is also characterized by the geological exploration activities in the Okrug. The extraction started in small scale in the 1980s. In the 1990s, Russia's political and economic changes nearly ended exploration activities and slowed the start of production (Tuisku 2008). The large scale industrial activities started in the end of 1990s.

Nowadays, only the meat processing factory and reindeer herding are still existing among the traditional Okrug's activities. And their revenues are insignificant. The oil and gas industry accounts for as much as 98.8% of all industrial production in the Okrug. The Okrug budget is predominantly formed by the taxes from the oil and gas activities in the Okrug. Not all the taxes collected from the oil and gas companies remain in the Okrug. The portion of taxes remaining in the Okrug budget has been declining in the last years. The percentage of taxes collected in favour of the state budget has been growing. However, the revenue side of the regional budget has nonetheless been growing due to the growing volumes of oil production.

The growing oil and gas industry has been engaging more and more people, but many of them come from other regions. By the year 1989 the oil and gas industry had employed 7700 workers, or 32.8% of the total work force in the Okrug, while agriculture (dairy farming, reindeer herding, fishing, hunting, and fur farming) engaged almost 4000 people, of whom 40% were Nenets (Tuisku 2008). In the period 2002-2006 the number of people working in the oil and gas industry was growing. In the year 2006 it was equal to 8500, while in agriculture it was equal to 2107 people the same year (Goskomstat). Thus, the growth of importance of the oil and gas industry as an employer is obvious, as well as the overall decrease in the employment in the agriculture. Other significant employment areas in the Okrug are education, transport and communication, construction activities, etc.

Tuula Tuisku means that during the first decade of the 21<sup>st</sup> century, the general economic situation had been improved significantly (Tuisku 2008). Oil production has risen sharply, as well as investments have risen. The budget has been balanced for several years. Salaries and social benefits have been paid on time, as have various subsidies for activities such as housing construction and agricultural production (ibid.). However, many problems remain.

The most significant socio-economic problem of the Okrug is poor accommodations. The percentage of poor accommodations in the total area of the accommodation in the Okrug is quite big: it was equal to 11.5% (Goskomstat) in 2006. The building activities in the Okrug, executed by the local building companies are slow and ineffective which makes people queue for flats and wait for many years (up to 20 years). The general picture of accommodations with household facilities (electricity, water supply, warm water supply, canalization, etc.) has been bad, but improving. In 2006 only one third of all accommodations in the Okrug had water supply and canalization, only one fourth had warm water supply (Goskomstat).

Transportation in the Okrug is represented predominantly by aviation: planes and helicopters. No railway connection is present in the NAO. The only road (automobile) connecting the NAO to other subjects of the Federation (or to the Big Land, "Bolshaya Zemlya",

as the rest of Russia is called by the local population) is the road Naryan-Mar – Usinsk, the Komi Republic. During the winter period the population uses snow scooters. In general the transportation system of the Okrug can be evaluated as poor.

The Okrug capital Naryan-Mar (never mind the rural areas) lacks good roads, pavements, lawns, entertainment and leisure facilities. Thus, the conditions for living in the Okrug are not favourable socially.

#### RELATIONS BETWEEN THE NAO AND THE ARKHANGELSK OBLAST

Relations between the NAO and the Arkhangelsk Oblast are the most acute political topic in the region to date. The relations are depicted as relations between rich NAO due to the oil and gas reserves and needy Arkhangelsk Oblast which is able to exercise influence on the Okrug due to the Russian legislation.

According to the Constitution of the Russian Federation of 1993 there was established a unique federative structure of the state.<sup>5</sup> The state is divided into independent and legally equal subjects of the federation. However, some of them are two-leveled subjects: there are eight autonomous Okrugs which are territorially included in krais/oblasts. This is the case for the Nenets Autonomous Okrug and the Arkhangelsk Oblast as well. According to the Federal Law 184-Φ3 of 06.10.1999, some of the authorities of the Okrug, including its sources of revenues, have to be transferred to the Oblast if no other conditions are negotiated and agreed upon in an agreement between the authorities of the Okrug and the Oblast. Special agreements are needed because no federal law has been elaborated which would regulate relations between Okrugs and krais/oblasts. This kind of agreement existed between the Nenets Autonomous Okrug and the Arkhangelsk Oblast until the end of the year 2007. It defined that the Nenets Autonomous Okrug keeps all the authorities of a subject of the Russian Federation without delegating any of them to the Oblast, and that distribution of financial resources is different from the federal model, but with high proportion of taxes and duties transferred to the budget of the Oblast.

For the year 2008, this agreement was not signed by the Governor of the Arkhangelsk Oblast, which means that certain (28 major) authorities are being transferred to the Oblast, including the authority to form a common budget for the Oblast including the Okrug. Additionally, it includes among other things that the Oblast now is going to support agriculture and plan land use, give social support and social services to elderly and disabled people, etc., level the budget supply of the municipalities in the Oblast and Okrug, etc. All this is expected to destabilize the economic situation in both the subjects. People in the NAO expect decline in the

---

<sup>5</sup> Here and in the whole paragraph: E. Kuleshov (2005): “Peculiarities of delimitation of competences and authorities in complex subjects of the federation”. Legislation and Economics. #10.

level of life, of social support, etc., and call the process of transferring the authorities for a 'unification' process.

#### INDIGENOUS PEOPLES AND REINDEER HERDING

Historically the territory of the NAO is an indigenous area. The largest portion of the indigenous peoples live in the rural areas and are engaged in traditional economic activities: reindeer herding, fishing and hunting, and in education (Tuisku 2008). Reindeer herding is the main occupation of approximately 2,500 people, of which 1,500 live in the tundra (Stammler & Forbes 2006:51). However, all the life in the indigenous communities (obshchiny) in the NAO is connected to reindeer herding, since most villages were founded as centers of the herding enterprises. Additionally, several reindeer enterprises from the neighboring Republic of Komi migrate with their herds towards the coast of the Barents Sea to summer pastures in the NAO (ibid.). Thus, the number of people engaged in herding or depending on it in the Okrug and outside it is much more than 2,500 people.

Until the 1990s reindeer herding had been a profitable economic activity. In 1991 the economic profitability of reindeer husbandry varied from 200 to 314.4% (Degteva 2006:43). By the end of 1990s most of the reindeer herding enterprises had run into debts and this branch of traditional economy had come in decay despite some measures on the part of regional authorities (ibid.). The same period is characterized by the decrease in the number of reindeer from 186.2 thousand in 1994 to 122.1 thousand in 2000 (Goskomstat). Later, in the period 2001-2005 the number of reindeer increased again.

Nowadays, the reindeer herding is a heavily subsidized industry. The target program for stabilizing and developing reindeer herding in the Okrug, financed jointly by the Okrug and the federal budget, has been implemented since 2002. Additionally, the Okrug government subsidizes every kilo of the reindeer meat sold inside the NAO and compensates 80% of the transportation costs of delivering reindeer meat to the consumers in Naryan-Mar (Degteva 2006:43). All this increases the revenues of the reindeer herding. However, the indigenous peoples, those engaged in the agriculture, remain the poorest part of the population, whose incomes are several times smaller than those in the industrial activities.

70% of the territory of the NAO is classified as reindeer pasture. At the same time, almost the same percentage of the Okrug's area is considered prospect for oil and gas. The reindeer herding in NAO is still carried out as a nomadic way of life in the eastern parts of the Okrug, where most of the oil development is taking place (Stammer and Forbes 2006:51). Thus, the conflicts between these two totally different ways of resource use are inevitable (Tuisku 2002a).

Nonetheless, in spite of its low economic profitability and its conflicts with the oil and gas industry, it is an important economic activity in the region, and the importance of reindeer herding can hardly be underestimated. It is still a source of employment, income, and food (not only for the indigenous peoples). It has great significance for the Nenets (and Komi) culture, their traditional ecological knowledge, language and identity, as well as for cohesion of their traditional Nenets families and communities (Golovnev & Osherenko 1999).

#### OIL INDUSTRY IN THE NAO

The NAO lies in the Timano-Pechora oil-and-gas province, which consists of the NAO, the Republic of Komi and the adjusted sea shelf areas (the Barents and the Pechora Seas). In the following table the explored oil and gas reserves in 2002 are represented (Bambulyak & Frantzen 2005:10).

Table 1. Explored oil and gas reserves in 2002

Production area	Oil (million tons)	Gas (billion m <sup>3</sup> )
Nenets Autonomous Okrug	819	484
The Republic of Komi	493	161
Adjusted sea shelf areas	62	2800

The province, including offshore fields, is the third most important oil producing area in the Russian Federation (Tuisku 2002a). Timano-Pechora has a significant geological potential of oil and gas reserves and good prospects to increase hydrocarbon production for a long period in the 21<sup>st</sup> century (Bambulyak & Frantzen 2005:10). In both mid-term and long-term prospects, the Northwest of Russia will remain one of the regions providing oil and gas for the internal and world markets.

In the NAO up to now 81 fields of hydrocarbons have been discovered in the NAO (Administration). On the stage of industrial production there are only 16 fields, 19 fields are prepared to the production stage, 38 fields are on the stage of exploration and 2 fields are in conservation. In the nearest future 10 more fields are going to be put in production.

The NAO's oil and gas reserves are onshore. However, in the Pechora Sea, one of the adjusted seas, there lies a huge oil offshore field Prirazlomnoye. It is the largest among the proven oil reserves on the Pechora Sea shelf (Bambulyak & Frantz 2005:29). It does not territorially belong to the NAO. The offshore fields lie in the territorial waters of the state and they are not administered by regional authorities, but only by the state authorities. However, the transportation of oil from the field is going to take place along the shores of the Okrug and using



the port Varandey. And thus the activities associated with extraction and transportation can be important for the Okrug both economically and environmentally.

The degree of depletion of the oil fields in the NAO is 8% (1% in the year 2002) and of the gas fields 1%. That is why the NAO is one of the most promising oil and gas regions in Russia. This means, that the planned extraction volumes are going to grow significantly.

#### ENVIRONMENTAL CONCERNS

A characteristic feature of the Okrug is its small population and thus a small number of industrial enterprises which impact the environment. The two main sources of pollution in the Okrug is the production of oil and gas and housing and utilities infrastructure. The oil and gas industry exercises a significant impact on the atmosphere in the region by gas flaring. The impact of the oil and gas industry is both physical and chemical. The most serious damage and pollution with hydrocarbons happens in cases of leaks of oil pipelines and mechanical failures on wells, and oil spills during transportation. The pollution of the environment with hydrocarbons has been registered as causing negative effect on the wild life (on health of wild mammals and fish) (Cf. Lavrinenko et al. 123-125).

The housing and utilities infrastructure has a lot of problems. There is lack of solid waste landfills and all the wastes are located at random dumping sites. The major part of the housing stock and industrial facilities is not equipped with sewage and facilities of the sewage treatment plants are not sufficient (Lavrinenko et al. 2004:132).

The influence of the military industrial complex in the NAO creates potential sources of threat of radioactive contamination. In the period of 1955-1962 there were made 90 (mostly in the air) nuclear explosions on the territory of the Central Research Test Site of the USSR on the Novaya Zemlya archipelago (the Pechora Sea). In the period 1965-1990 the number of explosions was equal to 42 (all underground) and in the period from 1970s to present 4 (together with the territory of the Arkhangelsk Oblast) explosions have been made. In general, the background radiation dose in the NAO is not higher than in other territories. However, because of the geological peculiarities of the territory (unstable and changing structure which is in principle not applicable for nuclear test explosions), escape of radionuclide on the surface of the ground may happen and already took place in 1980-90s (Lavrinenko et al. 2004:128-129).

The environmental monitoring in the NAO is not sufficient due to the lack of funding. The research of environmental problems is quite problematic for the same reason. Thus, the environmental control on behalf of the authorities in the NAO is quite poor.

## WHY IS THE NAO A UNIQUE CASE?

Production of the oil and gas industry and its influence on human security is unique in the NAO since the latter in itself is a unique territory. To illustrate it, we can compare, very superficially, the NAO with another oil and gas rich region in the Northwest Russia – with the Murmansk Oblast (the MO). Both the subjects have indigenous peoples living on their territories and who are engaged in reindeer breeding and fishing (Nenets and Komi in the NAO, Sami in the Murmansk Oblast). However, in the NAO the oil and gas industry is the only disturbing factor for the indigenous peoples, while in the MO it is also other industrial activities such as the mining industry. The scope of influence of the oil and gas industry on the reindeer herding is also different: in the NAO the main industrial activities are planned on the Eastern territories of the Okrug where the reindeer pastures are; in the MO the industry is going to influence the herders by constructing a pipeline, which maybe is going to cross the pastures.

The main industries in the Murmansk Oblast are several and diverse: mining industry, several ore mining and processing enterprises, fishing and fish-processing, sea transport, ship repairing, non-ferrous metallurgy, railway and automobile transportation, as well as submarine geology, geological explorations on the shelf of the Arctic Seas (Murmansky business portal). While in the NAO the oil and gas industry is the absolutely dominating industry, and only the meat processing factory is still working.

The main production sites so far are onshore in the NAO, while in the MO it is going to be only the offshore activities. It means different taxes coming to the regional budgets and modes of public participation, according to the Russian legislation.

The natural conditions in the two regions for the offshore production are also different. The Barents Sea, where the huge Shtokman gas field is situated, is non-freezing, while the Pechora Sea is freezing. Thus, the weather conditions for the Prirazlomnoye are more complicated, and thus have caused more environmental concerns: the Okrug does not possess technologies to respond to an oil spill in the ice conditions. Both the subjects of the Federation can face the influence of the industry on the fishing activities.

Additionally, the MO is a more developed region when it comes to communications, culture, education possibilities, entertainment facilities, etc. There are more cities in the MO (15), and the city population makes out almost 92% of the whole population. The network of automobile roads is well-developed, and both railroad transport, sea transport and aviation are present in the transport system.

Several similarities in the two regions can be highlighted, but the differences between them constitute background for different impacts the oil and gas industry may have on the regions: dependence of the economy of the region only on the oil and gas or on other industries

as well, which concerns among other things sustainability of the region's economy in the future, the ousting effect of the industry on the traditional economic activities, and development of the region in terms of education and recreation. The very combination of these factors in the NAO makes it a unique case.

#### THE COMPLEXITY OF THE ISSUE

The NAO, as it has already been mentioned, combines several factors which are of concern when discussing the impact of the oil and gas industry on the local population in the Okrug. The Okrug's total dependence on the oil and gas industry is manifested not only in the predominance of oil and gas revenues in the regional budget. The infrastructure is constructed by the oil and gas industry and is aimed at meeting the needs of the industry itself. Not many attempts are being made in order to secure sustainable future in the region, for the time when the oil and gas reserves are going to be depleted. The traditional economic activities are endangered by the growing industrial activities in the region in terms of land resources and their environmental safety.

At the same time, the positive impacts should not be underestimated. First of all, Russia acquires both economic and political profits from the oil and gas industry which is the basis of the Russian economy. The NAO gets the possibility to finance diverse regional programs. The local people are reported to acquire new employment opportunities. There is also reported a rise of incomes (both salaries and pensions), the intensification of construction activities, etc. The oil and gas companies also support the reindeer herders (through agreements signed by the companies and reindeer herding enterprises and directly by purchasing equipment, etc. to the herders).

It is clear that what is profitable for some is not necessarily profitable for the others. The contradiction between the tempting prospects of the oil and gas industry, representing the state and regional interests, and preserving the indigenous habitat and traditional economic activities which are of importance for a small group of the indigenous peoples in the High North territory is obvious and cannot be easily solved.

General influence the oil and gas industry has in the Nenets Autonomous Okrug and contradiction between interests and what it means for the local population, is in focus. Interests of the state and the local population determine the sense of security and define what security I about for different actors. That is why, talking about difference/similarity of interests of different actors, the relation between them, one speaks about provision of security to each of the actors and how the process of guaranteeing security for one actor influences other actors.

## CHAPTER 2. THEORETICAL BACKGROUND: STATE, ENERGY AND HUMAN SECURITY

As a theoretical background for my research I have chosen concept of security: state and human security. Human security is an all-encompassing concept including complex of factors which focus on the people, their interests, needs, grievances. Focusing on the grass-roots it gives voice to human worries and hopes. Human security is the way to build sustainable peace from below which is pertinent for the peace research paradigm, which I am a student of. From-below is different from approach of building peace from above, from the state perspective. That is why choosing human security concept I decided to compare it to state security. Besides, applying human security to the energy discussions is interesting in itself since it is in a way innovative because energy has been discussed mostly in state terms.

In the present theoretical chapter, I will represent the literature overview of different approaches to state and human security. Further on, I will discuss how these two can be applied for the oil and gas industry and touch upon energy security. I believe, that in order to articulate state and human security in a concrete context one has to determine interests and values of the actors involved, since security questions cannot be explained without emphasis on the role of interests (McSweeney 1999:12). Thus, I will discuss notions of values and interests and also their pertinence for the security studies.

### BRIEF LITERATURE OVERVIEW

Discussions about security for a long time were focused on the state security perspective. Being critical to it, human security shifts the focus from the state as a referent object to people and communities. Both the perspectives are far from being homogenous. In this paragraph, I will discuss different approaches to state security, show its relevance for energy issues, discuss energy security, and human security, i.e. give a short literature overview on the topic.

#### A. NATIONAL SECURITY APPROACHES

National security is a normative core of realism, according to which the state is seen as protector of its territory, of the population, and of their distinctive and valued way of life; national interest is the final arbiter in judging foreign policy (Jackson and Sørensen 2003: 69). The concept is also central for the neorealist view of security, which sees it, as well as peace, as task of international relations among the great powers, the main keywords being power politics, security game, state sovereignty, territorial integrity, polarity, military threats, strategy and defense (ibid. 85, 87, 98).

The national security approach has been broadly criticized for its narrowness and for privileging (not least financially) the military sector, while failing to protect citizens from chronic insecurities of hunger, disease, shelter, crime and environmental hazards. Answering to this critique the Copenhagen school (B. Buzan, O. Wæver, J. de Wilde) opens up a broader security agenda where existential threats are different in different sectors which are the military, environmental, economic, societal, and the political sectors (Buzan et al. 1998: 21-23) (as opposed to exclusively survival threats stated by the narrow traditional military-political understanding of security). Buzan et al. state that “security” is the move that takes politics beyond the established rules of the game and frames the issue either as a special kind of politics or as above politics” (ibid.). If for the state-oriented security approaches securitization moves are undertaken by the only securitization actor – state – in case of survival threats, the widened approach, proposed by Buzan, imply securitization moves on the part of securitization actors ranging from states to other social entities (ibid.) in case of existential threats of widened character.

Broadening in this way the security agenda, Buzan et al. still talk about the state (as in case with the military and political sectors) as a referent object (Sjursen forthcoming), about nation (as opposed to a state) as a referent object in the case of societal security, about states and international community as in case with environmental security, and finally about states, societies or markets and private economic actors as in case with the economic sector (Buzan et al. 1998:119, 91, 95).

Thus, for the Copenhagen school, the state is no longer the only possible referent object for security discourse. However, Buzan in principle opposes the concept of human security since in his opinion, human security, by attempting to collapse all the possible referent objects to a single one, excludes the claims of both collective and non-human (e.g. environmental) referent objects in a way that defies other moral claims and the actual practices of securitization (Buzan 2004:370). However, the point of view that human security is not excluding, but rather complementary to state security or security of other ‘collective referent objects’, is close to my viewpoint. Environment as a referent object of security, I believe, is not excluded by human security either. Environment being a separate referent object of security underlines that it can be endangered by the humanity, which is the case if one believes that global warming, for example, is a man-induced climate change. Human security in this case represents an interesting turn in the argumentation. Environmental (e.g. climate) changes could mean little of themselves if they did not impact people. If global warming did not cause, as it is believed, natural disasters which take away people’s lives, then it would not have been discussed as a matter of security. Thus, human

security brings a human dimension to the environmental security discussions: harmful impacts are induced by people and it is again people who suffer from them. Human security underlines as well that this suffering will not necessarily mean life-and-death questions, but rather quality of life, people's needs and interests. Secure nature is needed not only for survival, but for decent life as well.

## B. ENERGY SECURITY

The concept of state security is strongly bounded to the concept of energy security. The European Energy Agency defines energy security as availability of a regular supply of energy at an affordable price (Constantini et. al. 2007:210). Gawdat Bahgat mentions as well that security of demand is of great significance for energy producers, or resource-holders (Bahgat 2006:966).

Modern society has grown more dependent on energy in almost all human activities. Different forms of energy are essential in the residential, industrial and transportation sectors; energy is also crucial in carrying out military operations (Bahgat 2006:964). Fossil fuels are and will remain dominant in the "energy mix" for the foreseeable future worldwide (Westgaard 2007, Bahgat 2006:963). Thus, the fuel and energy complex of a state is of special importance. It (or energetics/energy industry) is defined as a complex of fuel industry, electric power engineering, as well as means of fuel and energy supply; the fuel industry, in its turn, deals with production and processing of different types of fuel and includes oil and gas industry among several other industries (Online economic dictionary). The oil and gas industry stands out as the main energy producer since oil and gas dominate the energy mix: for example, in the year 2005 oil and gas (together) constituted 61% of the EU's energy consumption (Bahgat 2006:963).

Energy security is discussed in terms of the availability and reliability of supply, security of supplies and security of deliveries (Westgaard 2007). Thus, the interdependence of the consumer and the producer characterizes interrelations between states (ibid.). Therefore, the energy security is an international issue with states being actors in the interrelations. Being interdependent the states/parties are inclined to occupy profitable positions in economic relations and act as political actors. The energy resources can sometimes be used as a tool in political games between states ("energy diplomacy", Westgaard 2007).

At the same time, energy security is also a matter of intranational concern. For the countries, producing energy resources and being dependent on their export, energy security can also mean sustained, stable production of those resources inside the country necessary for export, as well as stable revenues in form of tax payments to the state budget both from the export of resources and their production. The supply of citizens with energy necessary for their livelihoods, supply of energy necessary for the work of the state's infrastructure, industries, etc. is crucial for

the state's functionality. In this way, especially for those countries, whose economies are largely dependent on energy resources, the use of the latter is a guarantee of backing states' legitimacy and recognition from their own citizens.

The military aspect of energy security can be regarded through the notion of "resource wars" in the light of different theories within the political economy. However, it has been seriously discussed not only for the war situations – it has been on the NATO agenda for decades with the member countries harboring different views regarding the Alliance's overall role within this area (Eide 2007). In the NATO strategic concepts both from 1991 and 1999 the "disruption of the flow of vital resources" is mentioned as a part of "risks of a broader nature" (ibid.). And consequently, such questions as NATO's role in protecting energy related infrastructure within the member state borders, in international waters and others are being much discussed. Interestingly enough, the NATO's "risks of broader nature" argumentation points at broadening of the national security concept, thus making this broadening acknowledged outside the academic world.

Energy plays a significant role for the NATO itself, as well as for separate states, as means of its functionality. The military significance of energy means that it is crucial in carrying out military operations (Bahgat 2006:964). Thus, energy is not only a matter of political games, but in case of military operations it is also means of conducting those games.

Thus, the energy security is a matter of national and international concern where states need either security of supply or/and security of demand in order to maintain its functionality, and states are actors of international relations. The argumentation is focused on state, and thus, energy security is a state security issue.

### C. HUMAN SECURITY APPROACHES

Different to the state security approaches, all human security approaches (albeit narrow or broad) underline that secure state does not always mean secure people (Hoogensen 2005:125), thus giving a view of security which is different than the view of security proposed in the state/national security approaches. However, the human security paradigm is not homogenous in itself. The supporters of this concept are divided in respect to what should be included in this concept, whether a narrow or a broad approach is the most relevant in analyzing opportunities and threats of the modern world from the bottom-up point of view.

The "freedom from fear and freedom from want", or broad, approach was introduced by the Human Development Report, UNDP in 1994. Human security is viewed as all-encompassing concept which underlines the importance of economic and social front for "the battle of peace" and, thus, sees security through sustainable human development (UNDP Report 1994). The

latter, being even broader concept than human security, is defined as a process of broadening the scope of people's choices. It is important to mention that, human security is not equated to the concept of human development (though two of them are inextricably linked to each other) and understood as follows: "Human security means that people can exercise these choices safely and freely – and that they can be relatively confident that the opportunities they have today are not totally lost tomorrow" (ibid. 23).

The narrow security approach is the one proposed by Krause, Mack, and Macfarlane who believe that pragmatism, conceptual clarity, and analytical rigor are reasons to focus human security on violent threats (Owen 2004:375). The main difference between their understanding of security and the realist one is that they recognize the possibility of a state being an internal aggressor (ibid.) as well as presence of other agents protecting individuals than the state itself (Mack 2004:366). Thus, opposing realism, they still support the narrowness of "freedom from fear" approach underlining that the focal point for "our modern understanding of politics" is controlling the institutions of organized violence and evacuating force from political, economic and social life (Krause 2004:368).

Critical security studies (CSS) is the most sustained and coherent critique of traditional security studies (Smith 2005:40). For Ken Booth and Wyn Jones, the Welsh School within the CSS, reconceptualization of human security studies lies in focusing on human emancipation (ibid. 42). Ken Booth defines emancipation as "the theory and practice of inventing humanity, with a view to freeing people, as individuals and collectivities, from contingent and structural oppressions. It is a discourse of human self-creation and the politics of trying to bring it about" (Booth 2005:181). In Booth's point of view emancipation and security are linked concepts. He writes that "security and emancipation are two sides of the same coin. Emancipation, not power or order, produces true security. Emancipation, theoretically, is security" (Booth 1991:319). However, saying just "security" Booth probably means what we refer to as human security. This can also be demonstrated by what Steve Smith writes about Booth's work "the underlying intellectual theme [of Booth's work] concerns the emancipation of individuals: his referent point is clearly the individual" (Smith 2005:43) as opposed to traditional security studies. Booth is concerned generally with well-being, in its many individual and social manifestations and broadly reconceptualizes insecurity, war and emancipation in these terms; and if security is characterized conventionally as "the absence of threats", the list of relevant threats is not defined in state-centric terms (Hayward 2005:191).



Thus, the concept of emancipation, which is in Booth's point of view is connected to the concept of (human) security, seems hardly discernable from the concept of human security seen through the human development paradigm, i.e. paradigm proposed by the UNDP Report 1994.

There have been attempts in reconciling the narrow and the broad approaches. An example can be work of Taylor Owen. He writes that the possibility to narrow down the too broad human security approach as well as broadening the too narrow one, is in choosing which threats or threat categories (meaning those seven enlisted in the Human Development Report 1994) should be included (Owen 2004:381). Only those threats that surpass a threshold of actual severity (as well as scope and immediacy) would be labeled threats to human security (ibid. 382). Thus, Owen defines human security as "the protection of the vital core of all human lives from critical and pervasive environmental, economic, food, health, personal and political threats" (ibid. 383). However, defining which threats are threats to human security is best seen as a political matter decided by international organizations, national governments and NGOs, though one could also introduce quantitative criteria for the threshold such as for example number of deaths, monetary costs, etc. (ibid. 384). Thus, controversially enough, states and NGOs are the main actors defining threats for human security. The community and people are still referent objects of human security, but they are deprived of possibility to define the content of this notion.

The concept of human security is different from the state security. However, it is important to mention that human security perspective is not supposed to replace the state security perspective or negate it as unnecessary. The state is still a subject of international relations, and people "continue to cling to the state as their preferred form of political organization" (Jackson & Sørensen 2003:100). Human security aims to demonstrate that the discussion of security should not be limited to the state as a referent object, but should also include other objects, such as communities and people. Thus, the concept of human security is not opposing state security, but is rather a complementary one.

The complementary character of the human security approach can also be illustrated by the incorporation of freedom from fear *and* freedom from want. The state security approach defines threat as threat to survival (threats from external aggressors, physical survival of citizens) and thus defines peace in negative terms, hence "negative peace". Human security incorporates both those and threats to realizing human needs. Human security belongs to the positive peace paradigm, which aspires to achieve peace by peaceful means (Galtung 1996). Therefore, human security studies are focused not only on defining threats and measures necessary to face them, but also defining opportunities for further development. And certainly, this can be different.

The concept of human security is the answer to the question: what relieves individuals of fear, what liberates them from duress (Burgess et al. 2007:97). This answer, Burgess means, is obviously culturally contingent, context dependent, fixed in a social field, implicitly linked to a moral environment (ibid.). These dimensions vary from place to place, from era to era, thus, Burgess underlines the importance of regional criteria in defining the meaning of security, as well as its time dimension.

The appearance of the human security approaches does not signalize appearance of new kinds of threats (McSweeney 1999:4): hunger, poverty, diseases have existed so long as people live. However, the knowledge about them has changed (McSweeney 1999, Burgess 2007). McSweeney means that realizing that the inadequacy of the range of responses to such threats reveals “the poverty of our traditional conception of security” (McSweeney 1999:4). Thus, way of responding to threats, or in other words policy, is what is at stake when talking about security. Indeed, the notions of security would be of little value in themselves if they didn’t imply reference to concrete policy measures. State security being endangered by military means demands military response. Much of the criticism of the narrow definition in the national security tradition, stems from moral opposition to the policy prescriptions derived from it (McSweeney 1999:91), in other words to military measures. Threats to human security demands other kinds of responses, since poverty and diseases can hardly be reasonably eradicated by military means. Thus, security policy must be reformulated with reference to human individuals and incorporate other, positive security measures (McSweeney 1999:85).

In the previous paragraph I have discussed how the concept of state security is applicable to the energy issues, including the fuel and energy industry and particularly the oil and gas industry as its part. Then, how can the concept of human security be applicable discussing the oil and gas industry? In this respect the UNDP approach seems useful because it is elaborated and seven concrete aspects are pointed out, which makes it applicable for analysis. However, since human security is regionally bound, it is less useful to discuss its relevance to the energy issues in general. One should instead discuss with regard to a concrete example: a concrete territory. This is what I am going to do in the following chapters discussing the Nenets Autonomous Okrug, and this is one of the purposes of my study: to define what human security implies in this concrete context and try to analyze how the oil and gas industry influences it. However, in order to be able to do this, I will use notions of interest and value since they are associated with security in a way that they help to define what security is and what can endanger it. In the next paragraph I will operationalize these two notions and show their relevance for the security discussion.

## VALUES AND INTERESTS: RELEVANCE FOR SECURITY

The term values is often used together with two other terms: interests and goals. Lars Bergström states that, the difference between the terms values and goals on the one hand and interests on the other is likely to vary with different interpretations of the ‘values’, ‘goals’, and ‘interests’; for some interpretations there may be no difference at all (Bergström 1970:198). In this study, I am not going to use the term goals at all. I acknowledge the difference between the terms values and interests, with values being more diffuse, more basic and morally bounded, and interests being more concrete, more “real” in terms of aspirations and expectations (ibid.). Both states and individuals may be argued to have interests as well as values. Being morally bounded, values imply addressing individuality of actors, i.e. concrete people. Individuals do have interests as well as values, but individual interests then are more specific and individual. State interests may be applied to concrete political (state) intentions. States may also be argued to possess values, which may be stated in basic state documents, such as a Constitution. The state values then may be too general and of little worth if they are not backed up by real state interests. When talking about a state, it is more usual to apply term interest. This is also strengthened by terms state security and interest hanging together in the political discourse.

The concept of security is strongly associated with the concept of interest (McSweeney 1999, Buzan 1991). Security cannot be explained without appealing to certain (material) interests (McSweeney 1991:12). National interests are acknowledged as being a sort of indicators for national (state) security: defining national interests is a core of operationalization of the national security concept. (See, for example, the national security concept of the Russian Federation: Appendix 1). Causes of insecurity for states are sought in “dynamics of states and the system, such as fragmented and incremental decision-making procedures, misunderstandings and misperceptions, arms racing, and the sheer complexity of cross-cutting interests and attitudes in a system of high-density interdependence” (Buzan 1991:120). Thus, interests of states determine international relations and may be a cause of insecurity.

Energy sometimes being an instrument of international relations (energy diplomacy) and crucial for sustaining state legitimacy and sovereignty is of primary interest for states. Interests of a state can be then satisfied by stable supply of energy (for importing countries), stable demand and production of energy resources (for exporting countries). In other words, satisfaction of some crucial national interests are guaranteed by energy security, hence state policies aiming at providing energy security, and in part, national security. Thus, we may say that energy security is means (or instrument) of national security.

If state security is based on satisfaction of state’s interests, where the state is a holistic actor, then human security, acknowledging other than state actors (communities, organizations,

individuals) has the same relations with people's interests (and values). The concept of human security is not free from moral claims; it is implicitly linked to a moral environment (Burgess et al. 2007:97). Moral evaluations of phenomena, which can cause or eradicate/meet our fears and wants, may help or hinder achievement of our hopes and ambitions, are based on what we value, i.e. on our values. At the same time, our ambitions/hopes indicate our interests. Thus, G. Hoogensen believes that the need to protect human values should be the basis for identification of threats and provision of security (Hoogensen forthcoming). I would add the need to satisfy human interests. The very phrasing "freedom from fear, and freedom from *want*" (UNDP 1994) underlines that security is not just absence of violence, but involves freedom from want which is something more personal, more intimate, and can be understood as human needs, interests, and values.

What is then the relation between the state and the people's interests (values) when it comes to oil and gas production? Are the policy measures, promoting state interests, compatible or contradicting to the people's interests and values in a concrete place? If the interests are compatible, then the state and the people contribute both to security of a state and human security of people living in a concrete place. If they are incompatible and/or contradicting, then the state, being a powerful machinery and defining state policies, may pose threats to human security. The state, as well as the people, may have own interests (values) contradicting to each other. And that may also be the case for the context of oil and gas industry. Then it is interesting to trace which of the interests are being prioritized, thus, which of them are perceived as being more important in providing security.

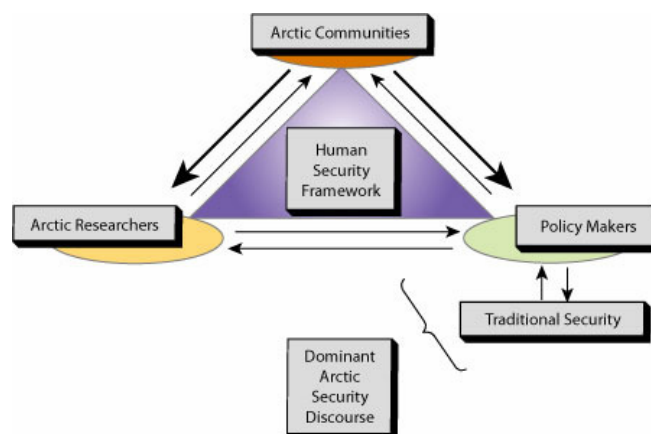


## CHAPTER 3. METHODOLOGY

### EPISTEMOLOGICAL STANDPOINT

Applying the human security approach to discussing the impacts of oil and gas industry on local communities, I assume that truth does not exist as a positivist or realist notion. My epistemological standpoint is constructivist according to which “all facts are socially constructed” (Kukla 2000:5). It implies that all ideas (including scientific), beliefs, etc. are constructed by the society, by people’s choices and actions. Thus, notions of security and human security are also socially constructed ones. If we take a look at the human security triangle (Hoogensen et al. GAPS), we can see that the human security framework is made up by different actors, and more precisely by peculiarities in their producing meaning, their “relational systems of significations” (Torfing 2005:14), or discourses.

Figure 2. “Bringing the Human Securities Framework in the Arctic”<sup>6</sup>



The discourse theory is one of several theories for which social constructivism (constructionism) is used as an umbrella term (Jørgensen and Phillips 2002:4). Discourse can simply be defined as particular ways of talking about and understanding the social world. And since no discourse is a closed entity and it is constantly being transformed through contact with other discourses, the keyword for the theory is “discursive struggle” (ibid. 7-8). The aim of the struggle is to achieve hegemony, i.e. to fix meanings of language in a particular way.

However, discourse theory is not limited to linguistics: “Laclau and Mouffe’s concept of “discourse” encompasses not only language but all social phenomena. Thus, the aim of analysis is, therefore, not to uncover the objective reality, [...] but to explore how we create this reality so

<sup>6</sup> The scheme is borrowed from Hoogensen et al. the GAPS International Polar Year web-page. URL: <http://www.ipygaps.org/about-multiple-securities/>

that it appears objective and natural (ibid. 33). This lets researchers apply discourse theory in other fields of knowledge, including Political Science where the linguistic peculiarities of articulations are sacrificed for semantics, or more precisely for discursive struggle to define meaning.

Both state security and people's view of security are discourses and they are made up of and determined by interests and values of these actors. The discursive struggle then is important for the decision-making process. The state security discourse is usually dominating, if not hegemonic, in argumentation in decision-making process. How much the human security discourse can influence and does influence this process is important for this paper. If the human security discourse influences decision-making, then the state policies, determined by this process, are more oriented towards people's concerns and interests, thus contributing to their security.

In this paper, I will use – analyze, compare – three different discourses: the policy-makers' (and industrial companies' discourse, whose activities are backed up by the state), the academicians' and the laymen's one. By laymen I understand those representatives of a community whose professional activities and qualifications are not linked to the oil and gas industry or the authorities, or who are not academicians studying the industry and impacts (for example, environmentalists).

#### MY ROLE AS A RESEARCHER

I have done my research in my homeland. The field of the research, the Nenets Autonomous Okrug, is territorially a part of my home region and I as a citizen of the Arkhangelsk City can be understood to have personal connections and concerns pertaining to the interrelation between the Arkhangelsk Oblast and the Okrug. Thus, my personal concerns and opinions, as well as my origin could lead me to have assumptions and taken-for-granted knowledge about the situation in the region. I am conscious of this and have tried to take a fresh look on the issue. Additionally, as M. Jørgensen and L. Phillips believe, in order to distance oneself from a taken-for-granted knowledge/understandings, a researcher has to apply a particular theory to see the world through (ibid. 22-23). In my case, the theory of human security and discourse theory, which are the theoretical and methodological background for my work, will also help me to distance from a taken-for-granted knowledge.

#### METHODS AND MY FIELDWORK

The epistemological foundations of the work determined the choice of methods for data collection out in the field which were first of all interviewing people representing different angles of the security discourse triangle, conducting surveys, as well as learning about their positions

from the Mass Media, official documents, etc. Such method as participant observation was also widely applied.

#### A. OPEN-ENDED INTERVIEWS

Interview is a process in which both the interviewer and the interviewee take part. The open-ended interview is a collaborative dialogue, where both interviewer and the interviewee take active part in producing an interview while the interviewer has some level of control and routinely decides “when to open and close various topics and the interaction as a whole” (Rapley in Silverman 2006, 112). From a constructivist point of view, the interview does not give us direct access to the facts or to events. What an interview produces is a particular representation or account of an individual’s views or opinions (Byrne in Silverman 2006, 117). Thus, sticking to this definition, information I got in my interviews are individual representations and accounts. Interviewing local laymen I was looking exactly for this kind of data – individual representations and accounts. Interviewing non-laymen, professionals (Policy Makers, environmentalists, etc.), I was looking for more professional accounts though it contradicts to the definition of an interview as providing individual opinions/views. I do believe that being professionals those interviewees represent predominantly positions of the institutions they are working for. At the same time, I am conscious of that the professionals do retain their identity as local people despite representing their jobs, and I could expect that professional discourses they represent can be conflicting with their personal views. This I encountered with a couple of times during my fieldwork. Therefore I used other methods of data collection such as document and the Media analysis for the purpose of clarification.

My study place is the Nenets Autonomous Okrug. I visited the area two times being there for 16 days altogether. However, I spent also several weeks in Arkhangelsk, Russia, which is a centre of the Arkhangelsk Oblast, of which territory the Nenets Autonomous Okrug is part of. Here I need to explain that Arkhangelsk houses many companies (including oil and gas companies) which have their filials/departments in Naryan-Mar, there are some governmental agencies situated in Arkhangelsk which have authority over the whole territory of the Arkhangelsk Oblast including the Nenets Autonomous Okrug. The Arkhangelsk Oblast Scientific Library possesses scientific works, statistical collections and literature about the Nenets Autonomous Okrug. Additionally, two universities of Arkhangelsk have their departments in Naryan-Mar, and the last-year students from Naryan-Mar come to Arkhangelsk to write their theses. At the same time, there are students from NAO who come to Arkhangelsk to stay during the whole period of their studies. I started my interviews with the students. I believe them to be relevant interviewees since despite living for some time in a different city, they still retain their identity as inhabitants of the NAO because they have lived in Arkhangelsk for quite a short



period of time, but enough long to take a critical look at the NAO from aside. Therefore, the question “Do you want to come back to the NAO? Why?” revealed much about their attitudes to the Okrug. Additionally, interviewing them was quite an accessible way to touch upon the field without actually going there.

In Naryan-Mar I conducted several interviews with several groups of respondents: a) representatives of the local communities (in Naryan-Mar and village Krasnoe), b) representatives of non-governmental organizations and a department of a political party, c) representatives of the governmental institutions – of different spheres of work, d) representatives of the oil and gas companies. The interviews were semi-structured, that is I had open-ended questions which could have been shifted in order, added by other questions in the course of talk. The interviews lasted usually approximately one hour though ranging from half an hour (usually with those least willing to talk) to two hours, and that was quite rare.

During my stay in Naryan-Mar I managed to take a trip to a village Krasnoe which lies at a 120-km distance from Naryan-Mar. I was advised to go there since it was suggested as an illustrative case of co-operation between a local community and large-scale business. There I had a meeting with the village administration, representatives of one of the reindeer herding enterprises, and local inhabitants who were really unwilling to talk. In order to talk to some of them I went to the village library and that appeared to be a right choice to make since people going there had time and were interested to share opinions. Unfortunately, while being in the village I could not meet reindeer herders who by that time had travelled to the Pechora Sea shore for the reindeer breeding period. At the same time I was told that even coming at another time I could have hardly talked to any of them because of a common (as it was stated) challenge with confronting the reindeer herders’ leisure problem – alcoholism. However, I managed to talk to a Nenets woman who used to work in the tundra<sup>7</sup>.

#### B. DOCUMENTS AND SCIENTIFIC WORKS

During my fieldwork I used libraries both in Arkhangelsk and Naryan-Mar. I visited also the state archive in the Nenets Okrug Administration. I collected many scientific works, Media reports and statistic data on the topic. Some written materials (reports, brochures, advertisement, leaflets, etc.) were acquired during interviews and other activities during my fieldwork.

The data collection process was not limited to the fieldwork alone. Such resources as the University Library in Tromsø, as well as the Internet were also used much. I used the Internet to collect both Media reports, statistics available online, information from official webpages of the

---

<sup>7</sup> She worked as a “chum-rabotnitsa” (tent worker) which means that she was to cook for reindeer herders, wash and repair their clothes, take care of the oven in the tent, to fold the tent when reindeer stock moves to another place and to set it up again on a new place.

Russian government and international organizations. The documents I collected from different sources concerned different spheres of Russian state legislation as well as local legislative acts, Media reports, scientific works on the topic, official statistics, etc.

### C. OTHER METHODS

In addition to interviewing I conducted surveys in the streets of Naryan-Mar. The surveys were structured and provided answer alternatives. I also included open-ended questions with the purpose of letting people express their ideas they would otherwise not express. The surveys were intended to triangulate the answers I got in my interviews with the laymen and probably get new insights. The conducting of surveys was possible only during the summer visit due to the weather conditions.

From the first moment of my stay in Naryan-Mar I tried to engage myself in participant observation.<sup>8</sup> Writing down my thoughts, impressions, ideas was useful since I tried to use those for my interviews and modified my search for information in other sources.

The processing of data includes analysis and comparison of the combined data using the human security as theoretical guidelines and discourse theory as methodological ones.

### ETHICAL AND SECURITY CONSIDERATIONS

During my fieldwork I used a voice-recorder for taping the interviews. It was turned on only on getting permission from the respondents. It was used mostly without hindrances. The only person who was against using a voice-recorder was a Nenets woman in the village of Krasnoe. I made notes from that interview. Some respondents hinted that they would like to have their identities concealed, thus preferring that I would not refer to them personally but to names of the organizations they work for. Thus, ethical considerations were taken into account.

Security considerations (here I mean my own personal security), as well as poor transportation network in the Okrug, were the reasons why I did not undertake attempts to find the reindeer herders out in the tundra. Going to Naryan-Mar I was told that it was extremely dangerous to travel to tundra without proper equipment, repellents, and what is the most important thing without GPS or any geographic orientation skills. Thus, my fieldwork was conducted in an opportunistic way, to some extend.

---

<sup>8</sup> Participant observation is a method of doing ethnographic fieldwork. It is characterized by a dual purpose: to participate and to watch yourself and others at the same time. The rules for participant observer are as follows: not to take things for granted, try to look beyond your immediate focus of activity; be both an insider and outsider simultaneously; engage in introspection to more fully understand your experiences; finally, keep a record of what you see and experience. (Spradley 1980:58).

## LESSONS LEARNED

Going out in the field I was sure that interview was a method, which was going to be one of the major methods of collecting data. Some people I wanted to talk to were really surprised by this method since they believed that I “have to search for the data [my]self” meaning scientific works, statistics, etc. I got an impression that for those respondents the fieldwork is a process of getting official information only through access to reports, documents, etc. I suppose that can be explained by differences in educational approach in Russia and Norway, and first of all in research activities which are considered to be normal.

In order to get access both to written sources as well as to specialists it sometimes needed a special permission for visiting some institutions, reading documents and talking to people. Thus, bureaucracy was also one of the challenges during my fieldwork, though manageable.

Both times I was in the field – in June and end of January – I was told several times that it was not possible to have a meeting at all or a long meeting: in June it was because of the summer holidays when many people try to escape from the Northern areas in search for warmth and sun<sup>9</sup>, as well as reindeer-herders being by the shore of the Pechora Sea for the reindeer breeding period; in the end of January the majority of people working for different organizations are busy with their yearly reports. This, of course, does not mean that it is totally impossible (except for the case with the reindeer herders) to approach people and talk to them. In my case I tried to agree upon some meetings beforehand being still in Arkhangelsk. I approached some people on the phone, while I could not find many through the Arkhangelsk directory inquiry service, which is working both for Arkhangelsk and Naryan-Mar. However, when I managed to reach people beforehand they were more eager to arrange a meeting than if I tried to approach them directly in the field. Thus, proper planning, respect for the respondents and certain psychological features for a researcher (self-confidence, flexibility and ability to persuade people and dare do that) are necessary.

Another challenge was dependence on the Internet. There is little public access to the Internet in Naryan-Mar, and where there is, the quality of connection is quite bad. Thus, such technological imperfections can become a challenge. This kind of things should be checked before one travels to the field.

## CONCLUSION: METHODS

My fieldwork had both advantages and disadvantages. The biggest disadvantage is that I was opportunistic to some extent. The timing for the fieldwork was not the best one. Not

---

<sup>9</sup> The average temperature in July in Naryan-Mar is +12°C. <http://83.nm.ru/abouttown.html>

everything was planned beforehand and not everything of what was planned was realized. At the same time, despite of bureaucracy and bad timing I did manage to interview both representatives of the Administration, oil and gas companies and the local community. I found it very useful to apply several different methods of collecting information. Thus, despite the challenges I did manage to collect much information which I later found out to be useful data.



## CHAPTER 4. SECURITY, INTERESTS AND VALUES OF THE STATE AND THE LOCAL POPULATION

### STATE LEVEL

In order to learn about the vision of Russian authorities on the national security, I take a look at “The National Security Concept of the Russian Federation” (Appendix 1). Chapter 2 of this document is called “The National Interests of Russia”, which connects national security with national interests implying that meeting interests, i.e. providing their satisfaction, the state acquires security. In order to learn about interests of the state in relation to oil and gas industry more specifically, I consider the document called “The Energy Strategy of the Russian Federation for the Period of up to 2020” (Appendix 2).

According to the extract from The National Security Concept (hereafter called the Concept), the main interests of the state (of internal character) are as follows: economic interest (sustainable development of the economy); stability of the constitutional system, territorial integrity, law order, etc.; creation of democratic society, social welfare system; civil peace and public consensus; high standards of living for the population; access to and safety of information; conservation and enhancement of environment, etc.

The national interests in the economic sphere are emphasized by the authors of the Concept as ‘crucial’. Thus, if constructing a hierarchy of national interests of Russia, the first priority would be the economic sphere. The rest of the national interests are important but their relation to each other in terms of importance is not specified in the document.

The first sentence of “The Energy Strategy of the Russian Federation for the Period of up to 2020” (further called the Strategy) illustrates the importance of the fuel and energy complex, including the oil and gas industry, for the Russian Federation:

*Russia possesses great energy and a powerful fuel and energy complex, which is the basis of economic development and the instrument of carrying the internal and external policy.*

The utmost goal of the energy policy of Russia is economic growth and improvement of life quality. Thus, improvement of the quality of living for the population depends on the energy sector of the national economy. The same sector is of a special significance (‘instrument’) for the state internal and external policy.

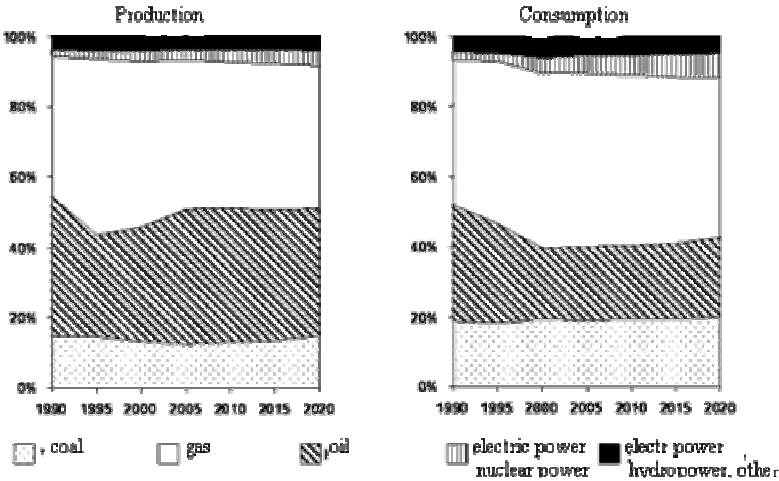
Taking into account both the documents, the first of them naming the economic sphere as crucial for the national interests of Russia, and the other stating that the fuel and energy complex is the basis of economic development, the conclusion can be made: the fuel and energy complex is of the primary importance for Russia and its development is her primary national interest. If

talking about the national security, the fuel and energy complex then is an instrument for achieving the national security both in terms of economy, internal and external policy.

The fuel and energy complex (or energetics/energy industry) is a complex of fuel industry, electric power engineering, as well as means of fuel and energy supply. The fuel industry deals with production and processing of different types of fuel and includes oil and gas industry among several other industries.

The following picture demonstrates that the oil and gas industry accounts for the biggest part both in production and consumption structure of the fuel and energy complex.

Figure 3. Structure of production and consumption of primary energy resources in Russia 1990-2020.



Thus, talking about the oil and gas industry, one can roughly equate it with the complex in general. And the oil and gas industry thus is the instrument of achievement the national security.

The character of the Russian economy can illustrate this. The Russian economy is export oriented, and fuel and energy products (with crude oil, oil products, natural gas, and coal being then major export products) dominate its export: in 2003 their export was equal to 59.5 % of the whole export (State Customs Committee in Sokolov), in 2006 - 71%, while in 2007 – 67% (the Federal Customs Service in Statistika pokazyvaet). Export customs duties together with Mineral Extraction Tax makes up the significant part of the revenue side of the Russian budget (in 2003 it was 21.3%, in 2004 – 40.5%, while in 2005 – 42.9%) (Kimelman and Andrushin 2006).

Oil and gas producing regions account for huge tax payments to the federal budget. The Nenets Autonomous Okrug is one of the few regions donating to the federal budget. According to the data available, in the year 2005 NAO was transferring more than 1 billion rubles to the federal budget monthly (Otchet po pervomu etapu raboty 2005). However, judging on the

volumes of production of oil and gas in the Okrug, which have the tendency to grow, this sum is not going to be an exaggeration for the years after 2005. Thus, the state acquires revenues both from export and taxes from production.

The interests of the state in the economic sphere form expectations about the further development of the industry in the future. One of the important interests in the sphere was pronounced by the President, V. Putin in President's Annual Address to the Federal Assembly in 2003. V. Putin meant that it was possible to double GDP in the period of ten years, while later he mentioned that it was possible to do already by the year 2010. And taking into account that 30% of the Russian GDP is made up by the export of petroleum products, it is logic to expect increase in their production. This can also be proved by the Strategy stating that the expectations in the economic sphere imply that the demand for energy resources is going to increase in the country.

There are two implications of the Russian economy and thus national security being extremely dependent on the oil and gas industry. Firstly, interests of the oil and gas industry (the fuel and energy complex) can be treated as having the same importance as national interests since the latter cannot exist without the former. And secondly, the Russian state (the authorities) tend to support the oil and gas industry creating conditions for its development and success. That is why in the framework of the present paper, the oil and gas industry and policy-makers are united as representing one discourse (Chapter 3 on methodology), though in the course of the thesis, there will be a distinction made between legislative and executive powers.

## REGIONAL LEVEL

In order to understand how oil and gas industry influence people's lives in a concrete place – the NAO – I am going to look at what people themselves think is important for their everyday lives in the NAO, what are their needs and values and how they can be insured or threatened. In other words, what can increase or threaten their security as members of exactly this community. These questions I was discussing with my informants during interviews. However, I was also asking them directly about what they think security is. Thus, I was trying to make a picture of what security means for people both by asking about their values and interests and directly about their view of security.

According to the UNDP Report 1994 most people derive their security from their membership in a group. In other words, people's security is dependent on people's feeling of belonging to this or that collective, i.e. on their identity. Identity is generally defined as “the self-conception of communities, and those individuals who identify themselves as members of a particular community” (Wæver in Hoogensen 2004). However, Marilyn B. Brewer differentiates between social identity as identification with a collective and collective identity as



the norms, values, and ideologies that such an identification entails (Brewer 2001:119). Thus, identity means feeling of belonging through norms, values, ideologies, etc. and that that feeling of belonging must be reassuring for an individual.

How can the oil and gas industry influence people's identity? In order to analyze the issue one should take a look at different groups of the population in the region.

Once the region was a reindeer herding place, where in conjunction with other industries such as fish and wood-processing industry, it was leading in the economy. Now, the reindeer herding is still a significant economic occupation for many in the Okrug, but the Okrug's trademark has now shifted from reindeer meat and the Nenets fish to the Nenets oil. Does this fact mean much for the people's feeling of belonging?

The present chapter, due to its topic, predominantly concerns local people's points of view. Thus, in a way, I am going to take a step into one aspect of the discourse triangle methodology and focus mainly on the local community (people): However, this chapter is going to show that at least when it comes to identity questions, this discourse is not homogeneous in itself. Different people due to their different circumstances account for their belonging in different ways.

The population of the Okrug consists of several groups: indigenous peoples and other local population. These two main groups have different occupations, different economic bases for their leaving. I am going to use term "indigenous peoples" for denoting "the Nenets and Komi reindeer herders and fishermen". This equation is rough, since not all members in this group are engaged in the reindeer herding/fishing and not all of them live in villages. The latter group is really a minority and since they do not practice indigenous way of living any more, we can equate them with the non-indigenous population. The equation is explained by the definition of the indigenous peoples in the Law "On reindeer herding" of the Nenets Okrug, which determines engagement in traditional economic activities as the main characteristic of indigenusness.

Thus, what are the values and needs of the indigenous and non-indigenous people in the Okrug? And how do they operationalize the concept security?

#### THE INDIGENOUS PEOPLES

In the interview with the head of the reindeer-herding enterprise "Harp", Kolesnikov N.,<sup>10</sup> I learnt that the reindeer herders are disturbed by the presence of the oil and gas industry on their traditional lands. The noise, pollution and the very look of installations has been changing their world outlook and world perception. Representatives of the Administration of the Krasnoe

---

<sup>10</sup> Kolesnikov N. Interview, June 2007.

village underlined that those reindeer-herders (and indigenous non-herders), which had been close to the oil and gas industry were learning about the outside world quicker than those far from the industry. Nowadays, as Dmitri Nesanelis, the former PR agent of the “LUKoil” company, writes that the reindeer herders are not the same as they were in the 15<sup>th</sup> or in the 19<sup>th</sup> century (Nesanelis 2003:31). This can hardly be questioned. The reindeer herders use such technologies as mobile phones and other communication devices, snow scooters, weapons, etc. Thus, the modern reindeer herder combines both traditional and non-traditional elements in their lives.

What are the values of today’s indigenous peoples? Tuula Tuisku reports that “reindeer herding is revered by the whole of the Nenets society” (Tuisku 2002a:147-153) and though not the whole Nenets population work directly in the reindeer herding, this activity is considered to be “the cultural core of the Nenets identity” (Tuisku 2002b). She describes the significance the reindeer has in the indigenous life in the tundra as follows:

Reindeer provide herders with essential material for dwellings, clothing, and basic nutrition. They are source of cash income whether herders receive salary for herding or sell meat and hides. The most important means of transport on the tundra are still reindeer, although modern mechanized means are used to connect the tundra with the villages (Tuisku 2002a).

Tuula Tuisku underlines also the special relation the Nenets people have to the tundra, which they “consider home” (Tuisku 2002a).

Zinaida Kalte (Kalte 2002) describing her trip around the NAO together with the Coordination Council of RAIPON<sup>11</sup>, accompanied by representatives of the Athapaskan Arctic Council, the World Bank and O.O. Mironov, Commissioner for Human Rights in the Russian Federation, writes about accounts of the indigenous people of Khorey-Ver about their everyday life and problems. Here is the list she provides: Pasture area reduction due to allocation of lands; oil companies refuse to come into contact with us; Oil wells are left abandoned, reindeer get sick; Assistance given only once does not alter our situation; The total reindeer herd has reduced by half; If no measures are taken to enhance reindeer breeding it will die and we’ll follow suit; There are no benefits for us from payments mentioned by the Company; Contracts are signed but we, the masters of our land, see nothing; We are not adjusted to the new life, please help us; Please do something so that our local savings bank is not closed; We hear our deputies on the radio only.

Thus, the main values one can underline from the accounts of the herders include land resources – the tundra (its preservation), the reindeer in principle, the environmental safety of the

---

<sup>11</sup> RAIPON is a Russian Association of Indigenous Peoples of the North.

lands for the sake of the reindeer health, preservation of reindeer stock, economic security, feeling safety in the changing economic relations, as well as participation in taking decisions concerning lands and life on the whole, which is only seen possible with the reindeer herding. All the values here can respectively be transformed into articulation of threats, which include environmental, economic (threat of being taken away the lands and not getting much in return), survival threats (through the herders' dependence on the reindeer as a source of income, skin, food, and meaning in life), and needs such as need to be heard (to participate) and paid attention to.

#### THE NON-INDIGENOUS LOCALS

In the course of my fieldwork, I interviewed several laymen among non-indigenous locals, and I want to emphasize three interviews I had with students from Naryan-Mar. All of them are now in Arkhangelsk, staying there for the university studies. All of the three are almost of the same age group (born in 1982-1986). They will be referred to as Informant 1, Informant 2 and Informant 3. The questions I asked them let us discover their position in relation to their life in the NAO, to their future, their willingness to come back there, their attitude to the idea of the rotational modus of oil and gas extraction in the Okrug, etc., as well as their view of the concept security.

Let me present each of them: Informant 1 is born in Naryan-Mar, but her parents are not originally from the NAO. They are geologists and came to the NAO first in the 1980s. Now they are working for the oil and gas industry as well. Informant 1 is studying at the Faculty of Foreign Languages (is going to become a teacher and a translator).

Informant 2 was born in Naryan-Mar. Her parents are not working in the oil and gas industry. She is studying at the Faculty of natural geography at the department of ecology.

Informant 3 is born in the South of Russia and was taken to the NAO by his mother when he was small. His mother is a geophysicist and came to the Okrug in the middle of 1980s and worked for the oil and gas industry there. By the beginning of the 1990s she lost her job because of massive job cuts in the industry and its decline. She did not manage to get employed anew in the "renewed" oil and gas industry in the end of 1990s. Informant 3 studies history.

Here are some citations from their interviews (my translation):

Informant 1:

"The influence the oil and gas industry has is more positive than negative. [...] Of course I will go back to Naryan-Mar. I am sure I am going to get job in the industry as translator. So I see my future in the Okrug. I am patriot of the Okrug. [...] The oil and gas companies bring a lot of people from outside. They should employ more locals. [...] For the indigenous peoples the impact is unfortunately mostly detrimental. It is really an environmental catastrophe. But this is part of a globalization process, and the indigenous

people are being suppressed by it. Sooner or later it (their extrusion, my remark) is going to happen. And oil and gas companies helping those people can just mitigate the process”.

Informant 2:

“The impact the oil and gas industry has on the NAO is different seen from different perspectives: it is revenues, jobs, etc. But from the environmental point of view it is negative. [...] I don't know yet if I am going to get back home to Naryan-Mar. I am not sure that I am going to get a good job there. There I am going to get the same type of job as here. [...] When the oil is over everyone is going to leave the Okrug. The population will diminish. The NAO is going to fade away. [...] Nowadays, there are predominantly non-locals who work in the oil and gas industry, and I am worried about it. The locals can hardly get any high-paid jobs. [...] I support the idea of rotational working method for the oil and gas industry, but that does not mean that we have to abandon the North. And not because of obstinacy. The North has become home to many”.

Informant 3:

“It has become more money since the rebirth of the oil and gas industry. [...] Environmental impact is bad. [...] My family has lost all ties with the oil and gas industry. And for those not having any economic linkage with the oil, it is kind of- (shrugs his shoulders) to live here. Because in all relations, the city is kind of- The infrastructure is far from being developed. The city is “narrow” (dull, without possibility for development, my remark) including the cultural sphere. Maybe for somebody the NAO does mean something. But if Naryan-Mar exists only for the sake of oil, then it should be better to make living there rotational. [...] People here [...] complain that there are too many specialists from Komi (non-local, my remark)”.

Thus, as we see the three of them have expressed both similar and different views/attitudes. All of them see both positive and negative sides of the development of the oil and gas industry in the NAO. However, Informant 1 sees the total effect as more positive than negative, while seeing the negative effect on the indigenous peoples as something inevitable. All of them are worried about non-local employees dominating in the oil and gas industry.

Informant 1 is the only among the three who is definitely going to travel back home to Naryan-Mar when she is done with her studies. She is sure that she is going to work in the industry. I would guess that her sureness can be explained by her parents working in the sphere, and it is well-known that personal relations/ties/acquaintances are essential in getting jobs, especially in such a profitable industry, which is a desirable employment for many. She is positive in relation to the future, and an illustrative phrase for her is: “I am patriot of the Okrug”.

Informant 2 is ambivalent since she is not sure about her possible employment. She would love to come back because of her family (parents) and friends. Her relation to the future of the Okrug, to the time when the oil and gas are depleted, is mostly pessimistic. She is for the rotational method, but not for abandoning the territory. She shows emotional relation to it, saying: “The North has become home for many”.

Informant 3 is the least willing to come back. He sees possible emotional relations to the Okrug only if his family had economic ties with the oil and gas industry. And he does not exhibit those relations. “Maybe for somebody the NAO does mean something” is characteristic of his position. He is for the rotational living modus, thus, for abandoning the Okrug. Informant 3’s bitterness can be explained by the fact that his mother is not employed in the industry, and that her education is not demanded – something he sees unfair. Thus, Informant 3 is the one who shows least identification with the Okrug, though in the interview he was using such words as “we” (the NAO) as opposed to “you” (the Arkhangelsk Oblast), “our budget”, “admissible for us” when talking about the conflict between the Arkhangelsk Oblast and the NAO. Thus, the informant exhibits somewhat stronger identification with the NAO and the people living there while talking about their common enemy in the face of the Arkhangelsk Oblast.

Thus, the three interviewees can be placed on the scale between the negative/pessimistic attitude to the future of the Okrug and their own future in it to the positive/optimistic one. And let us consider their family background and possibility of employment in the oil and gas industry.

Figure 4. Attitude of the informants to the NAO

Informant 3	Informant 2	Informant 1
family originally not from the NAO; no more working for the oil and gas industry, no perspectives for employment in the industry	family origin. from the NAO; not working for the O&G; the same perspectives as in AO but not in the industry	family origin. not from the NAO; working for the O&G industry; perspectives of employment in the industry
<b>negative/pessimistic</b>	<b>ambivalent</b>	<b>positive/optimistic</b> →

(Remark: O&G stands for oil and gas; AO means the Arkhangelsk Oblast)

It is interesting to point that the extremes on this scale are occupied by the respondents who do have some relation to the oil and gas industry through their families. The positive one is characterized by the direct employment in the industry, while the negative one – by bitterness about its absence where it could (ought) have been.

Thus, for the three of the respondents in their affiliation, their feeling of belonging and wish to come back the main variable is not that their parents are originally from the NAO and that they themselves have grown up and left the major part of/whole their life in the Okrug. The critical variable is the possibility to work for the oil and gas industry and their parents being engaged in the industry. Thus, the main (one of the main values) value for the informants is economic well-being, their possibility for employment. However, all the interviewees mentioned also cultural (leisure activities), environmental issues and concern about the fate of the indigenous people during their interviews though their significance was less for them.

## WHAT IS SECURITY?

During my interviews I asked my informants to tell me about their understanding of the concept security. Thus, additionally to making own conclusions about values and interests of the local people filling the notion of security with meaning in that concrete place, I was also interested in how my respondents themselves operationalize this concept: whether it is a state perspective they have talking about security or they incorporate elements of security of a wider nature, i.e. those of human security.

Thus, to the question –What does the notion ‘security’ mean for you? – Informant 1 answers that it means security of the future, which means to have decent living after having retired, be sure that she can afford to send her children to good universities; security means health and safety of life (criminal situation). Such factors as unstable economic, criminal and environmental situation can become threats to her security.

Informant 2 answers that security is her inward peace and balance, absence of irritating factors in the outside world; possible threats to her security she sees in political factors, external threats to the state, as well as industrial activities polluting the environment, competing industrial companies using the Okrug as the ground for competition neglecting real needs of the population; and finally, limited access to information.

Informant 3 means that security is when following certain rules – moral, state laws, regulations common in a concrete group – nothing is going to happen to his life. Insecurity is when he does not know what is going to happen to him in the nearest future,

The same question, but with answer variants, I asked to people conducting the questionnaire in the streets of Naryan-Mar. I questioned 19 people altogether. The majority of the people interrogated (11) answered that security includes both absence of physical threats to life, safety of the state from external threats, well-being (financial, physical, inward peace), as well as energy, environmental and other types of security. Only 4 pointed out that security is only absence of physical threats to life, and 1 believes that security is only well-being.

Thus, the concept of security incorporate both being secure about one’s future, or security of expectations (Hoogensen 2005), personal safety, environmental considerations, and well-being (financial, physical, inward peace). Such aspects as energy security and international relations, as well as strength of state laws and regulations (the rule of law) are also considered to be issues of security, from the respondents’ point of view (both the interviewees and those answering the questionnaire). Thus, the notion of security for the local people includes both human security and state security aspects, which means that these aspects are complementary to each other in people’s point of view.

## DIFFERENT PEOPLE — SAME VALUES?

Thus, if we contrast the values of the two groups we can see both similarities and differences. The similarities can be seen for example in the environmental and economic concerns of both the groups. The differences then are in the significance of environment for the indigenous peoples living predominantly in the villages and out in the wild nature and for the non-indigenous peoples living predominantly in the rural areas; as well as the significance of the economic aspect, which is more important for the non-indigenous population than for the indigenous population. Then, there is one more aspect, which is articulated as important directly by the local indigenous people. It is their wish to be heard in decision-making processes. The desire of the people to take part politically, to promote their own interests and provide their values be respected and met.

Therefore, the questions arise: How are these values and interests taken into consideration and provided satisfaction to in the oil and gas region? Are the economic considerations of the non-indigenous people, being the most important for them, and of the indigenous peoples, in tune with the economic interest of the state in the NAO, i.e. its resources? Do people on the ground receive as much as the state gets from the region? In other words what is the economic aspect of human security vis-à-vis the economic aspect of state security? How much do the indigenous peoples suffer from environmental changes and how huge they are? What influence do the local people have politically? What measures are being taken by the community itself in order to provide its own security (to meet its own interests/values)? And as a result: Are there contradictions between the interests of the state and values and interests of the local people and if there are, how are they articulated/manifested? How is the present situation correlates with the people's own view of security?

The question set above concern three fields: economic, environmental, and political. These fields are three of the seven aspects of human security which are taken into consideration in the human security paradigm proposed by the UN Human Development Report. In the framework of the present paper I am going to deal only with these three aspects, since they are most clearly articulated by the local people and this is the most important criterion for me to choose by. I am not going to touch upon the rest four: food, health, personal, and community aspects due to several reasons. Firstly, to treat for example health aspects alone would constitute a thesis in and of itself. Secondly, both the health and food security experience rather indirect influence through environmental impact, thus, the interconnectedness between the aspects lets me focus on one aspect and imply an indirect influence on other aspects. And finally, for the purpose of the study, I have decided to choose the three in order to pay much attention to the three instead of less attention to all the seven.

## CHAPTER 5. ECONOMIC SECURITY

Economic benefits are treated as the most significant argument for the development of the oil and gas industry on the regional level as well. The following variables were pointed out both by the policy makers and laymen whom I interviewed: increase of salaries, and thus incomes (illustrated by the number of private cars per thousand people), due to the taxes paid to the local budget, development of infrastructure, and creating new job places.

### TAX PAYMENTS

The tax payments are “the most obvious positive effect of the oil and gas activities on a territory”. This statement was articulated by my informants both among the policy-makers, the oil and gas companies and by some of the laymen I talked to. The mineral extraction tax, the incomes tax, the property tax are most significant ones paid by the oil and gas companies to the regional budget. And since oil and gas industry accounts for as much as 95-98% of all industrial production in the Okrug, then the biggest part of taxes forming the revenue part of the budget is made up by those coming from the oil and gas companies. However, not the whole of the mineral extraction tax remains in the Okrug budget, part of its goes to the federal budget. Before the year 2002, 60 % of it (its special rate for oil extraction) remained in the Okrug budget, in 2002 it was reduced to 20%, in 2004 it was already 13.4 % and in 2005-2007 it was equal to 5% only (Tjulubaev 2004, Lavrov 2005, Normativy otchislenia 2003).<sup>12</sup> Thus, the reduction of the mineral extraction tax remaining in the Autonomous Okrug has been typical for the federal economic policy in the last decade. This can be explained by enormous increase in the incomes of the regional budget due to escalating production and by redistribution of economic benefits among all the 89 subjects of the Russian Federation in an even and just manner.<sup>13</sup>

At the same time, due to the escalation of the extraction rate in the Okrug, the amount of taxes paid to the Okrug’s budget in absolute numbers has been increasing due to the growing scale of the extraction activities, despite the decrease of the tax rate.<sup>14</sup> This has been positive for the Okrug’s budget, however, there is a question of what is going to happen when the extraction scale is going to stabilize and even go down? Will the federal center change the tax rates again? Where will the Okrug’s budget acquire incomes from if not from the oil and gas industry?

Beginning with January 2008 all the federal taxes are going to be paid to the Arkhangelsk Oblast, which in its turn is going to redistribute them on the territory of the Okrug and Oblast. Therefore, no direct benefit is remaining in the Okrug in spite of the oil and gas industry being the most active and effective economic actor working on the territory of the Okrug.

---

<sup>12</sup> Interview with a specialist from the Economy Department, the NAO Administration

<sup>13</sup> Consider: 15 of the Federation subjects give up to 96% of the mineral extraction tax to the federal budget, and the portion of this tax in the revenues side of the federal budget in 2005 was 42.9%. (Nalog na dobychu 2002)

<sup>14</sup> The conclusion is made basing on the statistic data available on the Goskomstat web-page.



Additionally, tax dodging is also a problem for the Okrug, as stated by the Media, and several tax inspections and judicial examinations have been initiated in this respect. For example, in 2005 the Department of the Federal Tax Service of Russia in the Arkhangelsk Oblast and the NAO conducted tax inspection of the oil extraction companies in the Okrug and detected violations in tax payments by several companies working in the region for the total amount of 171,1 million rubles (Naryan-Marskie neftyaniki 2005).

Thus, the fact is that the oil and gas companies did pay taxes to the Okrug's budget (now it is going to be indirect payments through the Arkhangelsk Oblast) and do pay them to the federal budget though not without endeavors to avoid it. However, the part of the taxes remaining in the Okrug has been decreasing dramatically during the last decade not leading to de facto decrease of the revenues of the Okrug budget.

## INCOMES AND SALARIES

Salaries and incomes is another argument used in favour of industrial development in the Okrug. Let us examine the question. For that purpose let us consider several tables – Table 1, 2, 3 given in the Appendix 3.

### A. ABSOLUTE NUMBERS

Table 1 shows that the salaries in the Nenets Autonomous Okrug rise faster than in other regions in the Northwest Russia. For example, if we compare years 1995 and 2005, than the increase in salaries both in the Arkhangelsk Oblast is equal to 16 times (10.9 times for pensions), and Murmansk Oblasts is almost 14.3 times (10.1 times for pensions), while the corresponding index for the NAO is almost 31,1 times (12 times for pensions). This cannot but be associated with the oil and gas industry picking up steam in the Okrug, since the fuel industry has had as much as 98.8% (in its maximum) in the structure of the industrial production in the Okrug<sup>15</sup> (The NAO in numbers 2005), and has given the absolute majority of tax revenues to the local budget.

Tables 2 and 3 illustrate that 46,1 % of the working population (those working within the spheres of: production of mineral resources, both fuel and energy and other resources, transport and communication services, finances, credit system, insurance, management, provision of military security, essential social welfare) have salaries which are higher than the average for the population (data for 2006), while the major biggest group in the rest – those working within education, public health service and social maintenance (altogether 17.7 %) – get considerably less than the average. The highest salaries are between the industrial workers in general, and the absolutely highest are among those engaged in production of raw oil and natural gas. One has to

---

<sup>15</sup> From 98.8 to 99.2% in the period 2000-2006.

remember as well, that within the oil and gas industry the salaries are also varied. From the personal communication with two employers in the oil and gas industry, I learned that their salaries were higher than 50 thousand rubles per month, and they do not occupy any high positions in the company.

The lowest salaries in the NAO are among the agricultural workers. According to some sources, the average reindeer herders' salaries were appr. 2 – 2,5 thousand rubles in 2004 (The Nenets Autonomous Okrug 2005:471). In the year 2006, the average salary of an agricultural worker was equal to 7490,6 rubles, which shows considerable growth compared to those in 2004. However, the correlation between salaries in agriculture and those in the industry were approximately 1:5,2 in the year 2006. And the correlation is equal to 1:6,2 if comparing salaries within the agriculture to those within the oil and gas industry.

#### B. RELATIVE NUMBERS

The level of salaries in the NAO which is high compared to other regions in the Northwest Russia does not necessarily mean that people have high standards of living. The correlations between salaries and subsistence minimum and between salaries and the price for a minimum set of food products in the Okrug and in the Murmansk and the Arkhangelsk Oblasts can therefore be of help.

For the comparison of salaries I have chosen education and public health and social services spheres since they employ relatively large portion of the population in the Okrug (17.7%) and salaries within these spheres are lower than the average, but not the absolutely lowest (Appendix 3 Table 4 Part 1, 2).

The tables show that correlations between salaries within the chosen spheres and the subsistence level in the NAO are higher than in the Murmansk and Arkhangelsk Oblasts. However, one has to take into account that the subsistence level is calculated on the basis of (among other factors) prices for community charges including electricity, sewage, etc. Half of the population of the Okrug lives in the rural areas, and only one third of all the dwellings are equipped with canalization (See Chapter 1). Thus, the community charges are lower in the Okrug than in the Murmansk Oblast, for example, and the people in the NAO have more money to spend on other things. This, however, does not mean higher standards of living, since many would prefer to have canalization system in their houses.

Part 2 of the table shows that the correlation between salaries and the price for the minimum set of food products in the NAO is on the same level for the employees within the health and social services sphere as in the Murmansk Oblast, and even lower than in the Murmansk Oblast for the employees in the education sphere. This illustrates that prices in the Okrug are high, and despite high of salaries in absolute numbers, the people (at least in these two

spheres) earn equally with the other regions (more than in the Arkhangelsk Oblast) in a relative dimension.

The situation in the Arkhangelsk Oblast is worse, judging on the data in both the tables, than in the Murmansk Oblast and in the NAO. This can be explained that the Arkhangelsk Oblast is an economically depressive region.

According to some sources, the average reindeer herders' salaries were appr. 2 – 2,5 thousand rubles in 2004 which is 1,3 – 1,5 times less than the subsistence minimum (The Nenets Autonomous Okrug 2005:471). In the year 2006 the salaries within the agricultural sphere were higher than the subsistence minimum, though quite insignificantly (7490,6 rub. vs. 6288 rub.)

Compared to the subsistence minimum for pensioners, the pensions in the Nenets Autonomous Okrug are not higher than in other regions in the Northwest Russia: in all the regions pensions are lower than the average subsistence minimum (Appendix 3 Table 5). However, incomes of the pensioners in the NAO reached the level of subsistence minimum only in 2005 due to extra means in the Okrug's budget. Thus, the social benefits of the enriched Okrug's budget due to the extensive industrial activities cannot be overseen. There is a system of social benefits and payments working for the pensioners and disabled people, as well as several social programs financed by the budget.

### C. SOCIAL STRATIFICATION

If one takes into account that there are almost 10 thousand pensioners in the Okrug (about ¼ of its population), and the village population makes half of the population, the majority of the working part of which are engaged in such low-paid spheres as agriculture, education, etc., then one can conclude that the major group of the population still get low salaries as opposed to a minor group of industrial workers getting several times higher salaries. In this situation the *social stratification* of the population becomes clear.

One of the economic indexes which can be applied in order to illustrate the social stratification in the Okrug is the Gini coefficient (a measure of income inequality that ranges between 0, indicating perfect equality, and 1, indicating complete inequality) (UN HDR 2003). In the year 2001 it was on the level of 0,321 which is “typical for the countries with quite even distribution of incomes among the population such as Costa Rica or Singapore” (Bulletin #2 2003:8). In 2003 it was equal to 0,414 and thus increasing since the year 2000 and occupying the fifth place according to the Gini coefficient after Moscow (0,615) and three other oil and gas extractive regions in the North of Russia (the Khanty-Mansii Autonomous Okrug, the Yamal-Nenets Autonomous Okrug, and the Republic of Komi) (Distribution of Total Volume of Money Income 2003). In 2004 the difference in incomes of these two groups was as high as 19 times (Analitiki mezhdunarodnoj organizacii truda 2006).

During my fieldwork I was taking pictures of Naryan-Mar, and social stratification is illustrated in them (See Appendix 4). The differences are that huge that they cannot be overseen by the laymen in the region and they are perceived by them as disturbing and even indecent. Many of my informants among the laymen underlined that they were disturbed by the present inequality and disliked it. Some believed that the oil and gas companies even compete in the beauty of the houses they construct. Thus, the obvious dissimilarity between buildings, children playgrounds, etc. belonging/ built by or for the oil and gas industrial workers contributes to a sense of injustice and social discontent.

## EMPLOYMENT

Employment is another argument used in favour of the intensive development of the oil and gas industry in the Okrug. Both the laymen, the policy makers and representatives of the business companies mention it.

Table 2. Average number of employees in the oil and gas industry, the NAO (Goskomstat)

	2002	2003	2004	2005	2006	2007
The oil and gas production, rendering associated services	3716	4843	5615	7269	8500	8833
Industry, total				8963	10180	10383

According to the statistics (Table A) the oil and gas industry has the majority of employees among all the industries in the Okrug. The table illustrates as well that the number of employees in the industry has been increasing. However, this does not necessarily mean that there appear employment opportunities for the local population.

From the interviews with the laymen I learned that to get a job in the companies is almost impossible in spite of having higher education. Interestingly enough, many respondents mention employment as a positive effect of the oil and gas industry for the Okrug, but they do not feel any effects on their own lives. Many express their grievances: the oil and gas companies invite their own employees from other parts of Russia. The network is strong and almost impenetrable.

There is no official statistics available on the correlation between the local and non-local population working in the oil and gas industry on the territory of the Okrug. This question I asked to representatives of two oil companies in the Okrug. The representative of one of them told that they do not have such statistics, while the representative of another one was more eager to give a number – 40%. However, personally I doubt the truthfulness of the number since both the companies belong to the same group of companies and (are supposed to) pursue the same corporative policy.

Both the oil companies and the policy makers argue that the industry cannot employ more locals than they do. Firstly, there is simply lack of people in the Okrug. The population is really small for such a big territory. Secondly, the business companies state that the Okrug lacks employees with the necessary level of proficiency to occupy highly evaluated positions. However, a certain number of locals occupy some technic positions. The companies mention as well that the oil and gas industry creates infrastructure for the extraction activities and in the places where the workers live. As a result, they create employment possibilities for the locals in the infrastructure, in the service sphere, etc. Thus, the employment effects are indirect and can in other words be called for the “multiplier effect”.

“The multiplier effect” is one of the arguments used both by the oil companies and policy makers I talked to. The multiplier effect in the NAO can be seen in the development of the air traffic (during years 2002-2007 the main air operator in the region had a 15% growth in the number of passengers and a 50% growth in goods turnover), trade, and other service industries. However, such a significant sphere of economy as building is not being developed by the local means. Oil and gas companies place significant orders for building dwelling houses, office buildings, etc. in firms which hire employees from outside the region, and even from outside the country. Many workers from the former Soviet republics are coming to work in those companies. The work in the faraway Naryan-Mar is profitable for them since they do not receive such high salaries in their home places. At the same time the salaries offered by the construction companies are too low for the local population in the NAO to be interested in this job. Thus, the oil and gas companies build houses for coming workers with the hands of other coming workers. It must be mentioned here, that the local building companies (the municipal ones) cannot build that fast and cheap as those companies do. Thus, the rules of market economy, as I was explained in one of the oil companies, which have to be obeyed, are not working in favour of the construction industry in the NAO.

The academics, however, anticipate that the multiplier effect in the NAO is going to be quite low because of the tendency of the oil and gas companies to develop extensively and lack of the state involvement in the development of the Northern territories (Sergeev 2002:204). The only positive effect of extensive oil and gas development, as Sergeev I.B. states, is going to be increase of the budget of the extracting region (*ibid.*). The academicians believe also that deviation from the strictly market mechanisms is reasonable in the high North territories as it is illustrated by the experience of other countries (Bulletin #2 2003:16). In relation to Northern territories there exists a special approach to the effectiveness of capital investments there, as well

as much larger role of the state in management of the territories than on other (mastered) territories, state protectionism, etc. (ibid.).

In the course of interviewing people in the Okrug I learnt that there were some who previously worked for the exploration companies, but nowadays have to work other places (not according to their profession – taxi drivers, market sellers, etc.), since they have not been employed by the renewed oil and gas industry in the Okrug. One of the respondents believes that she was not employed due to her age – at the time she was again applying for job she had several years left before the pensioner age. The oil and gas companies commented upon it by saying that all the specialists whom they could employ were employed. Tuula Tuisku means that the population of the Okrug diminished when the new companies could not hire all workers of the former exploration organizations (Tuisku 2008). At the same time, not all of those who could leave the Okrug did it: there are still oil-and-gas educated people in the Okrug who lack corresponding jobs.

Thus, the employment effects of the oil and gas industry can be treated as not that significant as it is stated by the supporters of the industrial development in the region, and can be characterized predominantly by the coming labour force.

#### STRATEGY

The academics believe that in the Russian economic practice it is productivity rate of natural resources and their tax effects which are crucial in the decision making process: if increase in the production can give extra revenues, then it is legitimated (Sergeev 2002:32). This is the reason why any positive business initiative in principle turns into giving zero or even negative effect [in the long run]. In oil-producing regions this happens through hypertrophic development of oil production along with underdevelopment and weakness of other fields of economy (ibid.). This is also a case of the NAO.

Now the oil is the main export product of the Okrug, while still in 1994-1995 the Okrug was exporting timber, fish, meat and meat products, wild berry and mushrooms products, drug raw materials, etc. (Bulletin #2 2003:10). This is a negative tendency since the traditional economic activities are being ousted, and the Okrug economy is getting less and less diversified.

The fish factory plant employed 200 workers in the year 1993, and the timber mill employed 350 people the same year (Rybny atlas). The Naryan-Mar timber mill had a hundred-year history, was still a city-forming enterprise in 1980s and the only of its kind in the region. During ten last years of its existence the timber mill was fighting, but due to certain economic reasons it was liquidated in July, 2007 (Ploshadi starejshego predpriyatija 2007). The “Pechorski Rybokombinat” (fish factory) was also bankrupt and liquidated (ibid.).

Such promising spheres as developing the solid mineral resources (manganese, bauxite, nickel, copper, etc.) (Bulletin #2 2003:13), which have been proved and estimated as significant in the Okrug, making the reindeer products into export goods, developing salmon trade, or developing ecological tourism, etc. have not been taken too much into account. One of my informants among laymen told that the promises concerning the latter two were often given during the pre-election campaigns, and have never been realized, probably partially because of low revenues compared to those acquired from the oil industry, and because of anticipated long time gap between the first investments into those activities and first revenues to come. Policy-makers generally speaking supported this statement.

Security for some of the respondents was their secure future. How is their future going to look like when the Okrug is 98% dependent on oil – non-renewable mineral resource? What is going to happen to the Okrug when the oil resources have been depleted? The answer is given in an article by Oleg Moldovanov saying that the population does not believe in the future of the Okrug when the oil is over. Oil is seen as just a pipe going through and giving revenues, which are not wholly used for the people's sake (Annex 5). The same question about NAO's future I asked to the representatives of the Okrug Administration. It was a real shock to hear in response from one of them: "I do not know. It is enough oil for my life-time". The conversation was official, in one of the offices in the Administration building and did not in any way remind kitchen talks. Fortunately, not all of the policy makers were like this.

The main problem in this respect is aspirations for quick and huge revenues from the extraction industry, lack of a common understanding among the policy-makers and as a result lack of strategic economic planning for the future. This means that the future of the Okrug is uncertain, to put it mildly, especially in the light of the recent political events – merging of the Okrug and the Oblast.

## DISCUSSION

The biggest interest of the state in developing the oil and gas industry and acquire revenues from it in the form of taxes and fees corresponds to the local people's valuing their financial well-being. Both the parties, together with the oil and gas companies, want to receive benefits from the activities. For the local people the economic benefits are seen in increase in taxes, job opportunities and incomes and salaries. These variables were articulated both by the local people themselves, the oil and gas companies and the authorities. Thus, these variables make out people's interests in the developing industrial activities in the Okrug. However, they are not enough for people to feel themselves secure. Being sure about one's future is an essential part of human security, as articulated by my informants.

The Okrug does receive revenues in form of taxes. The percentage of taxes paid to the Okrug has been reducing while that of the taxes paid to the state has been correspondingly increasing. For the time being, this does not lead to a decrease in the Okrug budget in absolute numbers since the volumes of production are increasing significantly. On the contrary, the budget is growing. One has to remember that oil and gas production is still on the development stage when the reserves are insignificantly depleted which allows the industry to escalate production volumes. However, the question of what is going to happen when the volumes of production are going to reduce on its later stages? Will the state change the tax rates again?

The employment possibilities are the hope and interest of the local people. However, being proclaimed as one of the biggest advantages by the proponents of the oil and gas development, they have been exaggerated much. The oil and gas industry is hardly penetrable for the local population. The process of employment is not transparent. Indirect employment effects, also largely articulated by the authorities, for example, – the multiplier effect – is not expected to be significant in the region because of lack of state involvement in the management of the Northern territories.

Incomes probably are the only interest of the local people which have been undoubtedly satisfied in the course of the development of the oil and gas industry. The Okrug's economy has really blossomed due to the oil and gas industry. The considerable growth of the level of salaries and pensions coincides with the beginning of the production stage in the NAO. This growth is more intensive in the NAO than the growth of salaries and pensions in both the Murmansk and Arkhangelsk Oblasts in the same period, which makes the positive influence of the industry on the Okrug economy obvious. The average salary in the Okrug, for example, is high.

Thus, the extensive industrial activities have improved the economic situation in the Okrug. The economic well-being of people is the same as, for example, in the Murmansk Oblast and better than in the Arkhangelsk Oblast, thus better than in the depressive regions of Russia.

However, the gap between salaries in different spheres is huge. The highest salaries are among those working within the sphere of production of natural resources (first of all, fuel and energy resources), the lowest ones are among the agricultural workers. The pensioners in the Okrug live almost on the subsistence level, and together with education and health workers do not have incomes higher in relative numbers than in the Murmansk Oblast (but are higher than in the Arkhangelsk Oblast), for example, because of high prices in the Okrug. The extreme gap between the salaries causes social stratification which is quite visible and cannot be neglected by the local population and cause discontent. This can hardly be seen as contributing to “inward



peace” and “absence of irritating factors”, which were named by one of the informants as answer to the question what security is.

Thus, the two of the main interests of the people – taxes and incomes, – which make up a common value of economic well-being, are satisfied in the present situation in the NAO, while the job situation does not coincide to the people’s interests.

The secure future is a significant value for the people. This is also a national interest: “The realization of national interests of Russia is only possible on the basis of sustainable development of economy” (The National Security Concept of the Russian Federation 2000) which means that the economy is to be developed in a way that will secure the same level of economy for the following generations. Sergeev means that escalating the volumes of the extractive industries production in countries having rich mineral resources in order to get fast economic benefits, can in the long run lead to degradation of the economic system of the whole country (Sergeev 2002:32). Besides, sustainable development of a state is seen possible to achieve by following “from sustainable regions to sustainable country” track, and not vice versa (ibid. 33-34). The economic development of the NAO cannot be characterized as sustainable: the region has become dependent on the oil and gas industry almost totally and no significant diversification efforts are undertaken. The industry itself is going to work and profit itself, the state and the local population so long as there is oil and gas in the Okrug. After that the development of the region is in question. The situation is characterized by the lack of strategy of economic development on the part of the authorities. The local people are afraid that the Okrug will “fade away” (Informant 2) after the oil and gas have been depleted. Thus, the local people are worried about the future of the region and their own (of the generations to come).

The industry has managed to contribute positively to creating economic profits for the population in the Okrug. However, providing benefits now, the development of oil and gas does not contribute to providing economic stability and sustainability in the future, which is primarily the responsibility of the state and local authorities. The worries about the future are relevant not only for the Okrug, but for the whole country in general. Thus, the interests and values both of the state and the people in the Okrug in the economic sphere are met in the short-term perspective, while security in the long-term perspective – again both of the state and the people – is not provided.

## CHAPTER 6. ENVIRONMENTAL SECURITY

As it follows from the discussion of the values of the local population in the Nenets Autonomous Okrug, the tundra, including land and water resources, its vegetation, is one of the most important values for the indigenous peoples living in the Okrug. The significance of the tundra, its resources, can hardly be underestimated. It is the home for the Nenets and the Komi and their reindeer, which is the backbone of their culture, traditions, thus identity. Appr. 70% of the territory is occupied by the reindeer pastures in the Okrug. However, the same proportion of the territory is perspective for oil and gas resources, and thus can become possible extraction sites. The reindeer together with fish, valuable furs, berry make out the list of valuable renewable resources of the North.

In this chapter, I am going to discuss how the oil and gas activities influence the environment (in general), how it is influencing the reindeer herding in the NAO, as well as what role the state agencies are playing in the control of the industrial activities, and what changes the industrial activities have undergone. In other words: how environmental security is influenced by the industry, what effect it has on the people since it is important for the environmental dimension of human security, what policies are conducted by the state and what they can point at in the state interests, and finally what positive measures are undertaken by the local community and the companies in order to provide environmental security.

### ECOLOGICAL IMPACT OF THE OIL AND GAS ACTIVITIES (IN GENERAL)

The exploration period in the NAO started in 1960s. Tuula Tuisku states that the Soviet economy needed oil and gas, and it mattered little if the environment was destroyed during resource exploration and extraction (Tuisku 2002a). The local people were not informed about development plans in their territory, and the livelihood and customs of reindeer herders were not respected. Decisions were made in Moscow and local people had to live with the environmental consequences: pollution of the soil, water, air, and mechanical disturbance of vegetation, soil, and water, were well known by the 1970s and 1980s. Attitudes of the oil and gas companies toward the environment, Tuula Tuisku continues, began to change by the end of the 1980s (ibid.). Nature conservation has become an issue in Russia. However, environmental degradation continues today, though probably not on the same scale as before.

Lavrinenko I.A., Lavrinenko O.V. and Kozlov S.V. point that the impact of the oil and gas is diverse and includes both physical effects (roads, destruction of vegetation and replacement of the soil layer, release of heat due to gas flaring etc.) and chemical effects (accumulation of chemical elements around the production sites, in the places of oil spills, etc.).

Some of the chemical agents are carcinogenic and lead to illnesses of wild animals. Many lead to the disappearance of vegetation for many years (Lavrinenko I.A. et al. 2004:123-6).

On the territory of the Okrug there are about 900 plugged and abandoned wells, 20 of which, due to certain physical characteristics and condition, are potentially dangerous to the environment (Lavrinenko I.A. et al. 2004:124). Additionally, remnants of the old production constructions, corroding scrap metal, tanks with fuel and lubricants, plastic sacks with chemical agents, etc. are left behind after the production activities in the tundra. These are local pollution bubbles, which are numerous in the Nenets tundra and which demand significant investments (Lavrinenko I.A. et al. 2004:123-6).

#### QUALITY AND QUANTITY OF REINDEER PASTURES

The impact of oil and gas industry on the reindeer breeding can be summarized by first of all deterioration of pasture territories and reduction in their area. When it comes to the quality of pastures, the oil and gas companies<sup>16</sup> state that the reindeer herders are partially themselves to be blamed for the deterioration of the pastures due to overgrazing, that is overexploitation of the pastures. This is strengthened by the academicians (Lavrinenko I.A. et al.). However, the academicians tend to emphasize the reason for overgrazing. According to Lavrinenko I.A. et al. the reindeer herding is really the most spread anthropogenic influence on the tundra (Lavrinenko I.A. et al. 2004:127-8). Until the middle of the 20<sup>th</sup> century the pastures' caring capacity had not been surpassed (the reindeer herding thus was sustainable – my remark). Certain contribution to the pastures degradation was made during the collectivization measures in the Soviet Union. However, during the last three decades of intensive industrial activities in the region, which have deprived the herders of certain areas of grazing territories, caused the growing of load intensity on the pasture territories untouched by the industry. Logically enough, in its turn it means that the quality of the pastures is deteriorating and this impacts the reindeer herding negatively as an economic activity.

From the quantitative point of view, the total area of the allotted to the industry lands is not significant, according to Lavrinenko O.V.<sup>17</sup>. According to the Federal Agency for Subsoil Use, the NAO's department<sup>18</sup>, the area of the lands allotted to the industrial activities in the Okrug was equal to 24.6 thousand sq.km, while in the year 2006 it was equal to 24 thousand sq.km. Thus, the area is growing. However, Lavrinenko O.V. states that the lands allotted to the

---

<sup>16</sup> Interview with Ruzhnikov S. A., June, 2007.

<sup>17</sup> Lavrinenko O.V. is referred here both as academician as well as official of the NAO's Department of Federal Service for Supervision in the Sphere of Natural Resource Use, which is part of the Ministry of Natural Resources, and thus part of the Executive Power in the Russian Federation.

<sup>18</sup> Interview with Popova L.A., January, 2008.

oil and gas industry are not alienated from the agricultural usage and that only about 10% of those lands are industrial wastelands.

In the Association “Yasavei” this was commented as follows: “This is the position of the government and all its agencies”<sup>19</sup>. The actual area of allotted lands is significantly smaller than the area of lands impacted. The impact means not only direct occupation of lands by industrial objects. The impact in this case should also be measured by influence on the reindeer behaviour in the territories adjacent to the industrial sites. The deer are scared away by the noise and the look of the installations; they do not come to graze between the installations if the latter don’t stand far enough from each other, etc. Thus, unintended loss of lands makes the total area of lands inappropriate / inaccessible for breeding much larger than it is estimated.

Thus, the reindeer pastures face both qualitative deterioration and quantitative reduction, which of course cannot but tell on the success of this economic activity.

In this respect, the Head of the reindeer herding enterprise<sup>20</sup> mentioned reduction of the livestock as an illustration of the influence. Here we have some data available:

Table 3. Livestock of domestic animals. The NAO. Reindeer (thousand of animal units) (Goskomstat).

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Reindeer	183,9	187,1	181,5	186,2	179,6	178,9	167,2	151,4	136,5	122,1	122,8	126	123	147,5	147,9

The table shows changes in the livestock from the short period before the production period started and during that period, though, obviously, the influence of the oil and gas industry can be traced back to the exploration period. Having only this set of data in disposition, the following conclusion can be made.

The reduction in the number of reindeer coincides with the production phase. However, according to the tendency of increase in the industrial activities, thus, demanding more and more space and deteriorating other areas and as a result, depriving the traditional activities of the increasing areas of lands, the further reduction in the livestock can be expected. According to the data in the table, it was not the case in 2004 and 2005. There can be other reasons for fluctuations in the number of reindeer between the years 2003 and 2004/05. However, if we in principle compare the number of the reindeer in the 1995, i.e. on the threshold of the re-birth of the oil and gas industry in the Okrug, to that in 2005, then the conclusions is: the livestock of the reindeer

<sup>19</sup> Interview with Nickolai Latyshev, June, 2007.

<sup>20</sup> Interview with Kolesnikov, June 2007.

*has* reduced during the production period. Thus, the influence of the oil and gas industry in this case cannot be denied.

## CHALLENGES OF ENVIRONMENTAL CONTROL

Environmental control and monitoring activities are important in providing conditions and requirements for any actors to abide by environmental rules and regulations. However, in the Nenets Autonomous Okrug, the environmental control is complicated by three main factors: economic and linked to it impartiality factor, and legal factor.

### A. THE ECONOMICS OF THE ENVIRONMENT

According to the Department of Federal Service for Supervision in the Sphere of Natural Resource Use in the NAO, one of the main challenges is lack of financing from the federal budget: The state does not allocate finances for helicopter flights (the main transport in the NAO is helicopter, no roads) in order to monitor the nowadays situation in the tundra; the overall impact of the oil and gas activities on the tundra in the exploration period has not so far been assessed systematically and holistically; state reports on environmental conditions in the NAO have not been published since 1998<sup>21</sup> (or 2002<sup>22</sup>). There are some segmentary monitoring activities undertaken by certain oil and gas companies, but they do not give any holistic picture of the environmental conditions of the territory (Doklad o kontrole 2007).

The regional budget does not receive much money in payments for negative impact on the environment in spite of the fact that the main industry in the NAO economy is production of hydrocarbons which is usually accompanied by significant environmental impact (Otchet po pervomu etapu raboty 2005). In the 2005 this payment was equal to 14 million rubles (ibid.) (out of 3,9 billion rubles of the revenue side of the budget in 2005). The same year, the ecological programme approved by the NAO Administration was financed in an amount of 14.5 million rubles (Otchet 2007).

Thus, obviously there is both lack of financing from the state and from the Okrug budgets and insufficient collection of payments for the environmental impact. This however, does not necessarily mean that the state/regional budgets cannot afford financing measures in question. V. Putin told in President's Annual Address to the Federal Assembly in 2007: "Don't we have money? We do have money, and formation of the expenditure side of the budget is always a case of priorities both on the federal and regional level" (Poslanie prezidenta 27.04.2007). The

---

<sup>21</sup> Interview with Lavrinenko O.V. January, 2008. The same information was given in the Department of Natural Resources and Ecology, the Administration of the NAO. I have found a report on environmental conditions of 2002, but it was only an incomplete Internet version.

<sup>22</sup> I have found a report on environmental conditions of 2002, but it was an incomplete Internet version.

contradiction between the abilities of the state and its actual activities therefore can point at its interests (or lack of them) and ‘priorities’.

#### B. IMPARTIALITY

In order to provide financing for its activities, the Department of Federal Service for Supervision in the Sphere of Natural Resource Use in the NAO resorts to assistance from the oil and gas companies’ help (specialists of the Department undertake helicopter flights around the Okrug for monitoring purposes at the expense of the companies<sup>23</sup>). This again shows the scarcity of economic resources and at the same time questions impartiality of the Department.

The present controlling agencies in the NAO are governmental (for example, the NAO’s Department of Federal Service for Supervision in the Sphere of Natural Resource Use, Ministry of Natural Resources). Governmental agencies seem to be able to be impartial and objective in their assessments only in highly democratic societies. Unfortunately, Russia is not a good example. The controlling and monitoring agencies in a non-democratic state, which is extremely dependent on production of natural resources, can hardly be able and allowed to publish results of their monitoring activities revealing serious violations. Thus, information may be simply silenced.

Presence of breaks of the environmental legislation by the oil and gas companies and awareness of the governmental environmental agencies about that can be illustrated by Olga Murashko’s reporting on the statement made by a high-ranking functionary of an oil and gas corporation: “If we would observe all environmental requirements we would have to cease operations” uttered at a public conference (Murashko 2003). Thus, Olga Murashko concludes, his corporation consciously ignores environmental legislation of the Russian Federation and is confident that it can threaten the state by closing down its production (ibid.) This illustrates that the importance of the oil and gas industry in the state economy determines relations between companies and state agencies which are aware of violations on the part of industrial companies, but are limited in their activities. Thus, impartiality of the controlling agencies is being undermined by the state’s interests. And since the considered controlling agencies are governmental, the most effective way of managing them is the legal one.

#### C. THE LEGAL DIMENSIONS OF THE ENVIRONMENT

According to changes in the legislation, to conduct environmental expertise locally is not necessary anymore<sup>24</sup>. With the Federal Law № 317064-4, which became effective on January, 1, 2007, the environmental expertise became part of a general state expertise of project documentations: it includes environmental expertise as one of its parts. The law introduces

---

<sup>23</sup> Interview with Lavrinenko O.V. January, 2008.

<sup>24</sup> Interview with Lavrinenko O.V. January, 2008.

changes in the Urban Development Code, but concerns not only construction of dwellings, but also construction of industrial installations. Thus, no environmental expertise of each oil and gas installation is necessary. The general expertise is conducted for a whole project. Saving that it abolishes necessity in public hearings for constructing projects, it also deprives the local environmental monitoring and controlling agencies possibility to propose changes as it was possible before when the agencies already on the stage of making a project could influence it.<sup>25</sup> Lavrinenko O.V. means that, the changes in the procedure of conducting the expertise and including it into a general expertise will obviously lead to depreciation of its quality and formation of long queues. Even the oil and gas companies themselves understand the drawbacks of the new system.

The Mosgorduma<sup>26</sup>, opposing the law and decision taken by the State Duma<sup>27</sup> believes that enactment of the law is going to lead to abolishment of the system of environmental, natural resource and sanitation-and-epidemiological legislation, as well as to abolishment of the established system of state control in the sphere of environment, health of the population, and use of natural resources (Mosgorduma).

The environmental legislation in its turn is not without drawbacks either. According to the information of the Department of Natural Resources and Ecology, the NAO Administration, the main problem in realizing state environmental control is lack of environmental norms and rules (regulations) (Doklad o kontrole 2007). Environmental requirements determined by several federal laws are limited mostly to acquiring licenses and other enabling documentation. There is lack of environmental requirements to exploitation of environmentally hazardous objects, which among others include oil and gas production objects, petroleum bases, oil and gas refineries, etc. There has not been elaborated practice of industrial ecologic control, which formalize some requirements of the federal law “On environmental safety”. There is also lack of methods for evaluating environmental damage in case of emergency oil and petroleum products (ibid.).

A concrete example of drawbacks in the legislation for the NAO is: Every year more than 100 million m<sup>3</sup> of casing head gas is burnt on flare devices in the NAO (Doklad o kontrole 2007). The oil and gas companies do not use it efficiently for their own purposes. Lack of regulatory legal acts which would oblige oil and gas companies to build a gas pipeline and transport the gas to the consumer lets the companies burn it on flare devices without control (ibid.).

Additionally, some decisions taken by the authorities are inspired by interests, which are doubtful from the environmental point of view. Here follows an illustration.

---

<sup>25</sup> Interview with Lavrinenko O.V. January, 2008.

<sup>26</sup> Mosgorduma is the Moscow City Duma, legislative organ.

<sup>27</sup> State Duma is the Lower chamber of the Federal Assembly of Russia, i.e. of the Russian Parliament).

## THE KUMZHINSKOE FIELD

Kumzhinskoe gas-condensate field is situated at 60 km distance from the Okrug's capital Naryan-Mar in the flood-bed of the Pechora river. It was opened in 1974 (NAO likvidiruet 2007) and exploration activities started there soon. According to preliminary assessments, gas reserves of the field are equal to 10 257 mill m<sup>3</sup> and gas condensate reserves are equal to 3 499 thousand ton and the field is considered to be large. In 1980 during well drilling it occurred an accident which caused uncontrolled gas blowout (about 2 mill m<sup>3</sup> per day). One year later, in 1981, a local nuclear explosion was triggered at a depth of 1.5 km to displace the crustal blocks. The explosion was unsuccessful and it did not lead to the expected results (Eight companies 2007). As a result of the explosion, the number of places of rock bursts and of gas condensate blowout multiplied. In order to suspend the field, a sand-and-gravel dam was built around the emergency borehole, which consequently began to collapse. Inside the dam several gas springs were formed, through which petroleum products continuously escaped. Scientists and environmentalists started to mention the possibility of a spontaneous explosion which could cause an ecological disaster in the Pechora river delta.

In 1997 a part of the Kumzha field with adjacent 15 wells were included into the Nenetski national park and Nizhnepechorski state nature reserve. To prevent possible spontaneous explosion on the field, the NAO Administration suggested to start again the development of Kumzha, which would reduce – according to some experts – the dangerous intrastratal pressure. In May 2007 the NAO Administration adopted a resolution according to which the territory of the state nature reserve is going to be reduced significantly (NAO likvidiruet 2007). The territory of the lands alienated from the nature reserve includes the Kumzhinskoe field. The production at the field is not possible so long as it is part of a nature reserve. Thus, the Administration liquidated a part of the nature reserve in order to trigger production on the emergency field. In November 2007 a tender for exploitation of the field was arranged (Eight companies 2007). However, the tender was held behind the closed doors, without access for the Media. And a winner was determined.

The plans of the Administration caused discontent on the part of the public and environmentalists. Environmentalists and some geologists think that drilling in the location of the nuclear explosion might be dangerous (Governor NAO 2007). The gas condensate has not been researched on radiation pollution after the local nuclear explosion. And the specialists do not exclude that it can be polluted by radiation, and work at Kumzha could lead to a large-scale environmental catastrophe which would impact not only the Northwest Russia, but also the whole Scandinavia.



The Administration of the Nizhnepechorski state nature reserve are sure that production at the field is going inevitable lead to petroleum pollution of the flood-bed of the Pechora river.

The most worrying fact about the plans of the Administration is that they are not backed up by serious scientific research of possible effects and of the present condition of the underground reserves. The plans are called “premature” by the environmentalists.

#### POSITIVE SECURITY MEASURES

There are certain positive measures that both the regional administration and the companies undertake. The NAO Administration tries to fill the legal vacuum concerning gas flaring and includes requirement of reasonable use of casing head gas into agreements on socio-economic development which are entered between the Administration and the oil and gas companies (Doklad o kontrole 2007).

There are certain positive things, which have happened in the attitude of oil and gas companies to the environment. Both Lavrinenko O.V., representatives of the LUKoil-Komi and Naryanmarneftegaz<sup>28</sup> (joint venture of LUKoil and Conoco Phillips) have underlined that. Among the measures the companies undertake are the following: measures to liquidate environmental consequences of the oil and gas exploration activities held by companies during the exploration period; they recultivate lands and return them. The companies work at optimization and rationality in localization of working sites and systems of internal communication in order to minimize removal of lands from the agricultural usage. The companies work as well at trying to implement low-waste and resource-saving technologies.

This however concerns predominantly big corporations such as for example LUKoil (company of the LUKoil group), Polar Lights Company. The developing oil and gas industry, as Lavrinenko I.A. et al. believe, brings middle-size and small companies to the Okrug (Lavrinenko I.A. et al. 2004:123-6). Such companies often do not have departments of production and environmental control, and thus they often do not abide by the environmental protection legislation (ibid.).

According to the Department Natural Resource Use and Ecology, the Okrug has only four domestic and industrial wastes landfills, which are constructed based on the projects, which have been improved by the state ecological expertise and fill the requirements of the sanitary norms. And all of them are built for the needs of the oil and gas companies (Doklad o kontrole 2007).

“Yasavei” reports that the oil and gas companies have become more responsible for the behaviour of their employees in the tundra as compared to the Soviet times, when every oil

---

<sup>28</sup> Interviews with Lavrinenko O.V. January, 2008, Representatives of LUKoil-Komi and Naryanmarneftegaz in June, 2007. Brochure “LUKoil Sever” (2006).

employer was also a hunter/fisherman.<sup>29</sup> Now it is strictly prohibited to bring alcohol, fishing rods, rifles, etc. to the oil and gas fields. However, “Yasavei” reports that some cases still happen.<sup>30</sup>

Thus, certain positive changes in the attitude of the companies to the environmental issues, as well as initiatives of the Administration, can be seen.

## DISCUSSION

The people in the NAO (especially the indigenous people) value safe environment which is thus a significant element of human security in their point of view. National security is also dependent on the environmental conditions, and that is proclaimed in the National Security Concept. Environmental security of people depends on both the economic activities in the Okrug (thus, on direct impact industrial activities) and on the measures the local and federal authorities undertake in order to control them.

The negative environmental impact of the oil and gas industry is present and significant. It has its consequences for the reindeer breeding: the reindeer breeding faces qualitative deterioration and quantitative reduction of the pastures and the reduction of number of reindeer. The statistics show that the production period is characterized by these two phenomena. Thus, negative impact on the reindeer herding as a result of environmental deterioration cannot be negated.

At the same time, compared to the exploration period, the relation of the oil and gas industry to the nature has improved. The companies have become more responsible.

The state policy in environmental control can be characterised by decrease of that control. The state does not finance federal environment control agencies, and they, being state institutions and dependent on the oil and gas companies’ financial support, cannot be truly impartial in their activities. Additionally, the legislative changes lead to deterioration of environmental impact assessment for industrial projects, which undermines work of the regional governmental controlling agencies and that in principle undermines the role of the state in the natural resource use. Thus, the state willingly moves away from the controlling activities, and that means that the industrial activities become less controlled and less transparent.

Development of the potentially dangerous Kumzhinskoe field, which may cause environmental catastrophe impacting the Russian North and the whole Scandinavia, and despite warnings of the environmentalists, illustrates that economic arguments sound stronger than

---

<sup>29</sup> Interview with Latyshev N. June, 2007.

<sup>30</sup> Interview with Latyshev N. June, 2007.

environmental ones in project evaluations. Exactly in this case the public hearings could have caused obstacles to the authorities if the hearings were not abolished for the onshore installations.

The measures undertaken by the state clearly show that the state is not much concerned about the environmental problems. The balance of interests in different spheres, including economic *and* environmental, which by definition is the national interests of the Russian Federation, thus is making the basis for national security, is distorted. The economic interests are clearly prioritized to the environmental ones. In this case, Russian national security can be treated as endangered if one follows the definition strictly.

The NAO experiences those concrete measures. The state cannot thus guarantee the environmental security to the local population. Neither can the industrial companies whose activities are per se detrimental to the environment.

The contradiction between the economic interests and environmental concerns is the traditional debate between industrialists and environmentalists. Both the economic development and environmental safety are relevant to the widened security agenda, but are pitted against each other, with little available in the way of a solution (Hoogensen forthcoming). From the state security perspective, Russia as a state is among the countries having ratified the Kyoto Protocol, for example, thus taking responsibility for harmful emissions. However, the environmental security in relation to human security moves the concept away from its state-based roots and reflects mounting concerns about environmental degradation, and importance of human relationships to the environment, including actors other than state and international actors (Hoogensen forthcoming). Thus, human security standpoint on the environment underlines importance of environmental problems in concrete places and actions of concrete actors – individuals, communities, companies, etc.

The human security view of environment and its significance in each particular place can be strengthened by the idea that the aspects of human security, proclaimed in the UNDP Report 1994, are interconnected, or “fluid” (Hoogensen forthcoming). The environmental security in the NAO is interconnected with food security and thus health security because of the indigenous peoples’ dependence on the nature as the source of food. The environmental conditions display more clearly than any other aspects of security “the propensity for dramatic securitizing moves but with comparatively little successful securitizing effects” (Buzan et al. 1998:74). That is why, the human security view is important, considering environmental hazards locally and naming them real threats to security, especially on such territories as the NAO which is home for indigenous peoples.

## CHAPTER 7. POLITICAL SECURITY

Political security of people can be defined as living in the society that honours their basic human rights, according to the UNDP 1994. When it comes to seeing the human rights through the prism of the oil and gas industry, then the political, ecological, and indigenous human rights are mostly relevant. The basic ecologic human right for safe environment has already been touched upon in the previous chapter. In this chapter I am going to consider such rights as rights to take part in the conduct of public affairs, directly or through freely chosen representatives (in addition to the right to vote in elections), embodied in the 1966 International Covenant on Civil and Political Rights (ICCPR 1966 Art. 25); right for authoritative information about the state of environment, for collecting and distributing it; right for taking part in decision-making concerning the state of the environment; right for defending public interests in the sphere of environmental protection; and right for public environmental control. All these rights are conferred in the Constitution of the Russian Federation (Articles 42, 58, 24, 29, 41, etc.) and developed further in numerous federal and regional laws.<sup>31</sup> In the present chapter I will also touch upon a right of freedom of movement and residence, which does not have this political “core” compared to other rights mentioned above, but which is relevant since it concerns the indigenous people in the framework of my study.

### PUBLIC INITIATIVES

I have already discussed the question of ‘unification’ of the NAO and the Arkhangelsk Oblast. The interest of the Arkhangelsk Oblast in the ‘unification’ many see in the richness of the NAO in oil and gas, and thus in the huge economic revenues associated with their extraction. The question of legitimacy of unifying the Okrug and the Oblast is really a topic for a separate work of a law student able to account for the contradictions in the federal legislation. There is yet other aspect in this question, which is interesting to mention.

It existed a voluntary initiative group of people who wanted to organize a referendum for letting the people in the Okrug express their point of view on the issue of changing the status of the Nenets Autonomous Okrug.

The initiative group made three attempts to organize the referendum in order to let the people express their view on the status of the Nenets Okrug (4 and 24 of December 2007; 9 of January 2008). However, the documents the group submitted in order to arrange the referendum never met the legal formalities (Arkhnagelskyi deputat 2008). Additionally, as I learned from one

---

<sup>31</sup> Such as the following federal laws: ФЗ “On environmental protection”, ФЗ “On environmental expertise”, ФЗ “On information, informatization, and protection of information”, ФЗ “On sanitation-and-epidemiological well-being of the population”, etc.

of the leaflets distributed in public places in Naryan-Mar, the initiative group of 29 (30 according to other sources) people was visited by “security agencies” (public prosecution) and 12 (18) of them were forced to leave the group and did it almost simultaneously. Some people I talked to proved this information. Thus, the group lost its legitimacy (it has to consist of at least 20 members in order to be registered); the state authorities suppressed the civil initiative in this concrete case.

The initiative group, department of a political party “Patriots of Russia” together with a significant part of the Naryan-Mar population gathered for a public meeting on November, 17, 2007 (there had been meetings before as well), in order to express their protest against ‘unification’ process, or to be more precise to the process of transferring authorities to the Arkhangelsk Oblast. Among others there were the following slogans: “Let us have the referendum!” (“Davaj referendum!”), “Listen to our opinion: We are against the unification!” (“Prislushajtes’ k naeshemu mneniju: my protiv objedinenija!”), “Taxes, but not well-being!” (“Nalogi, no ne blagosostojanie!”), “Away with unreasoned laws!” (“Doloy neprodumannye zakony!”), etc. (Yasavei Vada 2007). The slogans clearly show the people’s understanding/view of the conflict, its reasons and delusions associated with it.

The interesting fact about this meeting of protest is that, according to the information from the initiative group, the TV-Media never covered this event. “This is how everyone is afraid that the President will learn that the smallest autonomous Okrug is so disobedient” (ibid.). The Internet Media did however cover the event. Thus, one may say that the Media coverage is selective and depends on the political preferences.

Interestingly enough, the “disobedience” of the Okrug was also illustrated by the results of the Elections of deputies for the State Duma on 02.12.2007 (lower chamber of the legislative body) where the Nenets Autonomous Okrug showed the lowest in the whole country support to the “United Russia”, pro-Kremlin and pro-Putin political party, giving it only 48.78% of its voices (Naryan-Mar, the capital, city, 36.59% and the Zapolyarny Rajon, village areas,<sup>32</sup> 58.02%) (Centrizbirkom 2007a).

The same tendency was shown on 02.03.2008 Presidential elections when D. Medvedev got 61.54% of voices in the NAO, again one of the lowest results in Russia. Again Naryan-Mar gave fewer voices than the Zapolyarny Rajon – 54.73% vs. 64.99% (Centrizbirkom 2007b). Thus, the Nenets Autonomous Okrug is among those regions in the country, which exercise the least support to the main political line in the Russian Federation. And this cannot but be linked to the ‘unification’ policy initiated from the federal centre, which is strongly disliked in the region.

---

<sup>32</sup> Naryan-Mar and the Zapolyarny Rajon are the only two municipalities in the Okrug, the first one being its capital, and the latter one is predominantly represented by village areas.

Moreover, the poor Media coverage of the Okrug, especially beyond the capital, is likely to account for greater support given to “United Russia” and D. Medvedev than in Naryan-Mar.

#### THE MEDIA

When it comes to the Media in the Okrug, thus, human right for freedom of speech and right for information, it is noteworthy that there is only one newspaper which is being distributed in the whole region, “Naryano-Vynder”, and it was established by the higher legislative body in the Okrug, the Assembly of the Deputies. The higher executive power in the Okrug controls another newspaper “Nerm Yun”. The only broadcaster in the NAO is also established by the Okrug Administration and is a regional department of the All-Russian (federal) broadcasting company. Thus, the fact that both of the newspapers and the broadcaster are controlled either by the higher legislative or the higher executive power in the Okrug, significantly limit the possibility of realization of the freedom of speech principle and the right for information (Human Rights in the NAO 2000).

My informants believe that the information about effects the oil and gas companies have on the labour market, environment, etc. is not open enough/at all and when it is they do not trust it fully. My informant from the Naryan-Mar City Administration and the representative of the liberal-democratic party in the NAO also proved the general deficiency of the Mass Media in the Okrug.

#### PUBLIC PARTICIPATION: PUBLIC HEARINGS

There is another issue concerning the political rights of people when it comes to industrial activities. And it is public participation in the decision-making process concerning the environment. More exactly, this is explained by a number of rights people have in this respect: right for authoritative information about the state of environment, for collecting and distributing it; right for taking part in decision-making concerning the state of the environment; right for defending public interests in the sphere of environmental protection; and right for public environmental control. All these rights are conferred in the Constitution of the Russian Federation and developed further in numerous federal and regional laws (Gorodskaya sreda).

The Federal Law # 174-Φ3 of November 23, 1995, “On environmental expertise”, is based among other things on the principle of ‘glasnost’ (openness), participation of public organization, and taking public opinion into account. Public hearings, which is one of the form of public participation in taking decisions, are obligatory in those cases when planned industrial objects are supposed to be exposed to the state environmental expertise. However, conclusions

reached in the public hearings are of advisory character, according to the present Russian legislation (Gosudarstvennaya ekologicheskaya ekspertiza 2008).

In 2006, the federal law was changed, abolishing state environmental expertise and thus, public environmental expertise as its part. According to the explanations given by the specialists of the environmental organization “Bellona” (Murmansk), only those projects concerning certain activities in the exclusive economic zone of the Russian Federation (according to the federal law “On exclusive economic zone”, Art. 27), on the continental shelf (the federal law “On continental shelf”, Art. 31), inland sea waters, as well as its territorial waters are supposed to go through the state environmental expertise (e-mail Lesikhina 2008). For other projects these proceedings, including public hearings, have been abolished. Thus, there are no federal laws legitimizing and demanding public participation in taking decisions concerning onshore installations and operations.

This seems quite paradoxical. Both onshore and offshore/sea installations can be constructed quite close to places where people are engaged in economic activities (e.g. agricultural/traditional economic activities and fishing/sea hunting respectively) or transportation can cross those places. Thus, installations may impact those activities, thus intrude into people’s spheres of interest. However, public participation is required only for the offshore/sea installations. This seems at least inconsistent, and first of all inconsistent with the people’s interests.

Let me now consider an issue concerning public participation in the state environmental expertise of an offshore oil field. The big oil field “Prirazlomnoe” is situated at about 60-70 km distance from the shore of the Pechora Bay of the Barents Sea in the Nenets Autonomous Okrug. The transportation of oil from the oil field and from the oil terminal in Varandey concerns the interests of the local people living by the shore, fishermen, etc.

The public hearings concerning the Prirazlomnoe oil field were conducted in the NAO in May 2004 after the public hearings in Moscow. According to the information available from the environmental organization “Bellona”, the public hearings were arranged post-faktum: after the final conclusions of the state environmental expertise conducted by the Ministry of natural resources had been taken and after the actual beginning of the industrial activities (by that time the offshore ice-resistant fixed platform for the field had been being built in Severodvinsk) (Obshestvennye slushania 2004). This contradicts the legislation of the Russian Federation, according to which public hearings (or other forms of public discussions) should be conducted before starting or simultaneously with the procedure of the state environmental expertise.<sup>33</sup>

---

<sup>33</sup> Federal Law # 174-Φ3 of November 23, 1995, on Environmental Expertise, Art.14, part 1.

In the case of the Prirazlomnoe field, the public participation thus was only a formal thing, when the society really did not have opportunity to influence decision-making.

In 2007 another public discussion was arranged in Naryan-Mar where people had a chance to get acquainted with the technical-economic assessment report and make comments/ask questions, etc. Only 30 people<sup>34</sup> got acquainted with the project documentation and left comments/suggestions, 5 of them did not express their attitude to the project (Protokol 2007). This shows low interest, motivation, of the local people in the public discussion.

#### “YASAVEI”: POSITIVE MEASURES

We can consider the role of the regional public institutions in decision-making on a regional level. In spite of the fact that the federal legislation has no longer legal mechanisms for public participation for constructing onshore installations, the regional legislation in the NAO has determined a special political status for a public organization “Association of the Nenets people “Yasavei”.

The public movement was established in 2001. The aim of the Association is to guarantee rights and interests of the Nenets people. Among activities the Association arrange in order to achieve their aim are: enlightening talks with the reindeer herders about their rights and the oil and gas companies obligations, round tables for business, administration and indigenous peoples representatives, legal assistance, participation in land allotment procedure, etc. The organization has also acquired a special status of a public organization: according to the Statute of the Nenets Autonomous Okrug, “all questions concerning socio-economic development of the Nenets people must be solved by the government bodies and administration bodies of the Okrug in co-operation with the Association of the Nenets people ‘Yasavei’ (Statute of the NAO, Article 16). The organization is entitled to participate in the process of land allotment for construction of industrial objects. All companies which want to start up construction works in the tundra are obliged to coordinate their plans of activity with the Association. This special right of the organization is also laid down in the regional legislation (Reindeer is our life 2004).

Additionally, “Yasavei” is given the right of legislative initiative to the Legislative Assembly of the Okrug, as stated in the Statute of the NAO (Article 29). And this authority is unique for analogous organizations, according to Vladislav Peskov, the President of Yasavei, since “of all the regional organizations in Russia, engaged in indigenous peoples’ affaires, we are the only one with the right to propose legislative initiatives” (Reindeer is our life 2004). Two such initiatives – two draft laws on the relationship between indigenous peoples and the oil-

---

<sup>34</sup> Cf. number of the population of working age (16-59 for men, 16-54 for women) in Naryan-Mar was 18194 people in 2007 (Goskomstat).



producing companies (about special legal status of lands in the places of indigenous habitats and about ethnological expertise) – were prepared by the Association. None of them passed as they were but the first one was included into another Okrug law as its separate chapter. The Law on ethnological expertise was sent to revision (Otchet vice-prezidenta Ledkova I.E. 2007).

However, not always the Administration of the Okrug engaged the Association “Yasavei” to working at developing diverse programs also concerning the Nenets people’s interests, thus breaking guarantees of their rights.

It is worth mentioning that being a non-governmental organization, “Yasavei” is financed by grants from funds, optional contributions from organizations, companies, etc. The oil and gas companies occupy a significant place in the structure of financial coverage of the organization financing, for example financing such projects as “Kaninski Krasniy Chum”, “Kanin Mebeta”, and “Den Olenja” (Yasavei: Projects).

I want to emphasize that one should not forget that the organization does not (at least according to its own statute and aim) represent the whole population of the NAO.<sup>35</sup> They work as mouthpiece for the indigenous peoples (not only the Nenets, but the Komi as well). Thus, their activities (here I mean those associated with the oil and gas industry) concern only land allotment, which potentially is going to have infringing impact on the reindeer herding. Thus, interests/worries of those who are not engaged in the reindeer herding are left without consideration, and they are left without possibility to participate in decision-making processes. “Yasavei” plays a significant symbolic role for the indigenous peoples on the territory of the Okrug. Being a representative of the indigenous peoples, it functions as a unifying organization which underlines the Nenets people’s integrity, caring for their values, promoting their way of life and being a symbolic stable trusty organization in the lives of the Nenets (and Komi) people.

In the conflict between the NAO and the Arkhangelsk Oblast, “Yasavei” has been acting for emphasizing concerns of the indigenous peoples in the conflict on the general “economic” background of the conflict. Leaders of the Association have written two letters addressing Mr. Putin on behalf of the whole Nenets population of the NAO.

“Yasavei” is also active in informational support of the herders in order to make them more aware of their rights vis-à-vis the oil and gas industry working in the places of their traditional economic activities. Informational work of the Association includes as well diverse publications: both academic and Mass Media ones. The Association has established its own Information-research Center “Yasavei Manzara”, as well as its own Informational Reporter (herald) “Yasavei Vada”.

---

<sup>35</sup> One should not forget here about active participation of “Yasavei” in protest actions against the ‘unification’ process of the Arkhangelsk Oblast and the NAO which concerned the interests of the whole Okrug population.

The last, but not the least, is participation of the Association in national (as part of the Russian Association of the Indigenous Peoples of the North – RAIPON) and international projects (such as IPY GAPS, for example), which on the academic level studies the life of the Nenets people in the Okrug, exchanges information and which is even more important tries to attract attention to the indigenous problematics, especially to interrelations between the indigenous peoples and extractive industries.

Thus, “Yasavei” is playing both political, juridical, as well as symbolic (uniting), educating/informational, and cultural role. Thus, its contribution (at least efforts) to defending indigenous peoples’ rights, as well as for preservation of the indigenous identity of the Nenets people can hardly be underestimated.

#### REINDEER HERDERS PROTECTING THEMSELVES

Despite the existence of the “Yasavei” Association, the reindeer herders undertake measure to secure their interests themselves. During the interviews I had with the representative of the “Yasavei” as well as with the Head of the reindeer herding enterprise “Harp”, I learnt that some reindeer herders (Heads of enterprises) may use their acquaintance with some violations the oil and gas companies make in order to negotiate later about the compensations. Thus, the herders/enterprises may silence violations of laws and regulations in order to use them in their own favour in communication with the industrial companies. The position of the reindeer enterprises in this case can be considered active. But from the legal point of view it can be considered a violation itself. Moreover, the question arises why they do it?

As Tuula Tuisku reports, although the Nenets have an official status as an indigenous people (and there are laws protecting traditional livelihoods), the laws are often contradictory and general, and there is no guarantee that they will be enforced (Tuisku 2002a: 147-153). The trick then can be explained by people’s disappointment in the authorities and the laws, their trusting only themselves and their pessimism. People resort to this kind of measures when others fail.

#### VARANDEY CASE

Another case concerns the human right of freedom of movement and residence declared in Article 13 of the Universal Declaration of Human Rights. When it comes to the indigenous peoples, another articulation can be mentioned in this respect: “Indigenous peoples shall not be forcibly removed from their lands or territories. No relocation shall take place without the free, prior and informed consent of the indigenous peoples concerned and after agreement on just and fair compensation and, where possible, with the option of return”, Article 10, Declaration on Indigenous Peoples Rights.

The story of the village of Varandey is vague. The village is situated on the shore of the Barents Sea. It consists of two parts – old one and new one. The Old Varandey was mainly populated by the indigenous people, while the New Varandey was a place for the oil and gas workers to live.

Already in 1970s there were discovered several onshore oil fields in that region though their exploitation began only in the late 1990s. In 1989 the large offshore oil field Prirazlomnoe was discovered, with Varandey being the closest settlement. In 1998 “Varandeyneftegaz” (daughter company of “Arkhangelskgeoldobycha”) started construction of a temporary export terminal with both onshore and subsea (pipeline) installations (Perspektivy Varandeya 2005). The technical and economic assessment of the permanent oil terminal was ready in 2004, in 2005 the “LUKoil” company started constructing the terminal, and already in April 2008 the sea port Varandey was officially opened for foreign ships (Morskoi port Varandey 2008).

In 1993 the Varandey village was closed “partly for environmental reasons” (AMAP Assessment 2007:16): it was declared a place affected by natural disaster – the beach was affected by erosion and storms, leaving the village vulnerable. Thus, the dwellers of the New Varandey were allotted housing in other parts of Russia, although not everyone wanted to move out. Gradually people moved out and by 2000 there were no permanent dwellers. Thus, the New Varandey became a production facility without a permanent population.

The question of the Old Varandey is still not that clear. People moved from the Old Varandey as well. The policy-makers whom I asked about Varandey did not know much about the case, and told that the place was obviously damaged by the environmental disaster. This was the official position of the authorities at that time, as I learnt from the documents available in the Okrug Archive. Some laymen I interviewed believed that people were forced to move from the Old Varandey because they were obstacle to oil and gas companies’ activities in the sense that they were witnessing the activities and thus hindered the companies to lead their activities freely and uncontrolled. One informant, having been to Varandey on her business trip, told that the Old Varandey was still there, and that the houses were not affected by the sea. The same point of view is expressed by several foreign researchers: The AMAP Report says the following about the Old Varandey: “Old Varandei, with a population of 120, and not threatened by the sea, was nonetheless closed due to that fact that all services located in New Varandei” (*ibid.*) (*italics added*). The following statement was found in the description of the results of one of the projects of the Arctic Centre in Rovaniemi, Finland: “In Varandey, Nenetsia, villagers were forcibly moved by helicopter one morning out of the way of an oil terminal” (*italics added*) (Moreng 2008).

## DISCUSSION

Political participation in decision-making (or in other words, realization of people's political rights) is one of the values articulated by the local people, and that shows that it is an important aspect of their security. The political rights of the people in the Okrug can hardly be seen as being realized fully. People are not getting access to information about projects which may influence the environment significantly. One of the reasons is poorly developed Media in the Okrug, which is not independent. Public discussions are not always conducted on time being thus formalized and actually not taking public opinion in consideration.

The practice shows as well that people are not motivated to participate in public discussions concerning offshore installations which may point that people lack interest in the faraway offshore field (of Prirazlomnoe) or they do not believe in their opinion be able to change decisions. One of my informants, working in the City Administration, means that the population in the Okrug is not politically active. This may to some extent explain why only 0,16 % of the working population of the Okrug capital expressed their relation to the Prirazlomnoe field project. However, at the same time, the people did showed political engagement in the case of "unification" process of the Okrug and the Oblast. The work of the initiative group together with public demonstration illustrates that, inspired by their worries and wish to protect their interests, people can gather and express their position.

State, due to its legal power, influences mechanisms of public participation. Public hearings/discussions as a mode of public participation in the decision-making process possess only advisory power, and they have been abolished altogether for onshore installations (as part of the state environmental expertise). There may be several reasons for the change in the law concerning environmental expertise. However, abolishment of public participation for onshore installations can hardly be treated as unintended bi-result of this change. Barton writes that public participation can come into contradiction with some state's idea that the conduct of public affairs is a "*domaine réservé* as a matter of state sovereignty, all the more so if it is linked to permanent sovereignty over natural resources" (Barton 2002:103). The Russian authorities in pursuit of certain national interests change legislation in order to make the process less problematic. At the same time, this contradicts the local people's idea about their participation. Their interests, their values of being heard, or participation, are not met.

Both the Media, the state policy in relation to laws (adjusting certain laws) and to its own population infringe people's political rights for information and public participation, thus their value of public participation, in order to remove obstacles in promoting its own interests in acquiring stable revenues from the oil and gas industry. Physical removal of 'obstacles' has also

happened in the Okrug, i.e. the case of the Old Varandey. Without any tendency to generalize, one can nevertheless point that even such violations of the basic human rights (and not only political human rights) are possible in the modern Russia.

The state policy in meeting public activeness is far from democratic: using “security agencies” in order to destabilize the initiative group, thus, destroying the active core of those unwilling to submit to the state regional policy. The local and the federal Media, dependent on authorities in the Okrug and outside it, not covering political events happening in the Okrug shows its selectiveness and non-democratic functioning.

Thus, the policy of the state in relation to the people (in general when it comes to law changes, and in particular to the people in the NAO) incorporates a wide scope of measures. These measures may be treated as providing insecurity for people: people are deprived of possibility to take part in decision-making, the laws are being changed in order to pursue national interests though the changes contradict the local people’s interests, physical removal of obstacles (in this case, people) to oil and gas industry, which is a primary national interest. All this creates instability – people cannot be sure in the future, some do not believe in the state and the laws (in case of reindeer herders protecting themselves).

Certain positive measures are being taken in order to secure the indigenous peoples’ interests and rights on the part of the Okrug itself. The Association “Yasavei” possesses a special status for a non-governmental organization provided by the regional authorities: the right for legislative initiative, the right to be a member of land allotment process and being a legal representative of the indigenous peoples’ interests makes out its potential as an influential political organization. However, the Association has not been able to apply this status fully.

The national security of the Russian Federation is defined as follows:

National interests of Russia is a *complex of balanced interests* of an individual, society and state in an economic, domestic policy, social, international, informational, military, border, environmental and other spheres. They are of a long-term character, and determine major *aims, strategic and current goals for the domestic and international policy of the state*. The national interests are guaranteed by *the institutions of the state power* which act in cooperation with public organizations, acting on the basis of *the Russian Constitution and the Russian legislation*. (The National Security Concept of the Russian Federation 2000) (My italics).

The present chapter shows that the ‘complex of [...] interests’ can hardly be called balanced. The state having in its disposition ‘the institutions of the state power’ dominate the complex of interests and defines ‘aims, [...] goals for the domestic [...] policy of the state’ basing on its own interests and infringing interests and rights of the people in the Okrug. The Russian Constitution (together with the National Security Concept) proclaims democracy as one

of the main values of the state, though the practice shows that this value is mostly declarative. The Russian legislation is being used in the state's interests by being adjusted to its interests and needs and leaving less and less space for public participation.

Thus, when it comes to the political security of people, or the political element of the human security, the interests of the state and the values and interests of the local people are different and even contradicting. This conclusion is made judging on examples of policy measures on the part of the state. The political element does not contribute to creating the feeling of security for the people in the NAO.



# CONCLUSION

Impacts of the oil and gas industry on people has been discussed with use of the concepts of state and human security. Both of them are determined by interests and values of the actors. Thus, interrelation between the state and human interests and values is crucial to understand the impact of the industrial activities on the local population since the state is the most powerful actor and national interests are the highest priority in decision-making process.

Among several human security approaches the approach articulated in the UNDP Report 1994 was chosen and different aspects of human security pointed out in the Report were used for analysis in the thesis. Epistemologically, I support constructivist point of view and the discourse theory was the methodological background. The local people, the policy-makers and the academics articulate different discourses of security. They define what security is and impact of the oil and gas industry in different ways proceeding from their viewpoints which for the local people and the policy-makers (the state) are determined by interests and values.

National security of the Russian Federation is determined through national interests of the state among which the economic interests are the main ones and have the most significant role in providing state security. Other interests (including environment, etc.) are defined as important but without preferring any of them as more or less important.

Human security in the Nenets Autonomous Okrug can be defined through three main values the people focus on. They are economic security, environmental security and political security. Economic security is the common value for the people and the state. Environmental security is articulated as a most significant by the indigenous peoples. The general value the people (both indigenous and non-indigenous) have is people’s being sure about their future.

How are these interests and values correlate and do their realization contribute to security or insecurity? I find it useful and demonstrative to use a table in order to correlate them. Signs + and – mean that the interests/values are satisfied or not (respectively), and security or insecurity is enhanced (respectively).

Table 4. Correlation between state and human interests/values, and between state and human security.

	Interests of the state	State security	People’s values and interests	Human security
Economic	+	+/-	+	+/-
Environmental	-	-	-	-
Political	+	+ (?)	-	-



Economic security is the common interest of both the people and the state. However, satisfaction of today's interests does not necessarily mean that it provides their satisfaction in the future, which is a very important of security, may be endangered. In the case of oil and gas industry, economic benefits which are the common interest of the state and the local people are present so long as there are resources in the Okrug and the production volumes are on a certain level. Since there are almost no attempts undertaken by the authorities in order to diversify the regional economy which is almost totally dominated by the oil and gas industry, the security for the future is not provided. Certain changes may happen and ought to happen in the future if the Okrug is not going to be abandoned. However, being sure about one's future, means that people need this feeling now, otherwise known as security of expectations (Hoogensen 2005). The present-day policy based on satisfaction with the oil and gas revenues, does not provide this feeling. Thus, economic security as an aspect of human security is provided only for the short-term perspective, thus not providing a sense of security over the long turn.

State economic security is also provided for the short-term period because its orientation towards production and export of natural resources can provide benefits only for some period and can lead to economic stagnation and crisis if it is not diversified. Since the energy resources are the main export products and the basis of the Russian economy, state economic security can be thus equated with the energy security of the state. Therefore, the oil and gas industry provides energy security.

Environmentally, both the state and the people suffer from insecurities. The oil and gas activities lead to environmental deterioration which is not either in the state or the people's interests. The state policies show however that little is done on the part of authorities (first of all, legislative power) in order to prevent those. Environmental interests are not prioritized and to some extent are sacrificed for the sake of economic development. This cannot but create insecurities in the regions. The local people in the NAO value safe environment, but this value is not met either by the oil and gas industry itself, which per se is detrimental for the environment, or by the state authorities which by definition are supposed to work to the people's benefit and protect their interests and rights, but in practice try to distance themselves from environmental problems. Thus, environmental security is not provided either for the whole state or for the local people.

Industrial development (in other words, economic benefits) vs. environment is a well-known dilemma and dispute. One is not possible without harming the other. Both the state's and the people's preoccupation with the economic benefits of the oil and gas industry leaves little space to environmental concerns. The economic benefits are more quickly achievable and more

tangible than benefits from living in the secure environment, which are first thought of when they are lost. Therefore, priority is given to the economic development.

Political security for the state is preserving state legitimacy. For the people it is respect to their basic human rights (in my study – political human rights). Using diverse political tools (first of all, policy, legislation) the state tries to guarantee that its interests are satisfied (in the sphere of energy security as well). These tools used in relation to regions and are defining modes of public participation. They appear to infringe people's rights for public participation in decision-making process, right to seek, exchange information and to express public opinion. As a result, people do not believe that the state can take their opinions in consideration and protect their interests and rights. Thus, people's political security is endangered. But so is the state's political security since state legitimacy means that state as an organization is backed up by the people it is organized for.

People's inability to believe in the state concerns not only their political rights. This is also just for the environmental and the economic security since the state does not provide conditions in which the interests of people in these two spheres would be realized fully and in the long run. And since people still rely on the state as its form for organization, people depend on it and rely on its power. If the state cannot meet people's interests and expectations, then people do not believe the state and do not hope for the secure future.

Thus, the interrelation between state and human interests and values provide mostly insecurity factors for the human security in the context of oil and gas production in the Nenets Autonomous Okrug, while the state is guaranteed energy security (thus, economic security), though faces other factors of insecurity such as environmental and political.



## Bibliography

### Literature:

AMAP Assessment (2007) Oil and Gas Assessment. Arctic Council. URL: <http://www.amap.no/oga/> Accessed: 23.05.08

Bahgat, Gawdat (2006): "Europe's Energy Security: Challenges and Opportunities": *International Affairs* 82(5): 962-975.

Barton, Barry (2002): "Underlying Concepts and Theoretical Issues in Public Participation in Resources Development" in R. Zillman, A. Lucas, G.(R.) Pring (eds.) *Human Rights in Natural Resource Development: Public Participation in the Sustainable Development of Mining and Energy Resources*. Oxford: Oxford University Press.

Bergström, Lars (1970): "What is a Conflict of Interest?" *Journal of Peace Research*. Vol. 7, No. 3. Pp. 197-217.

Booth, Ken (1991): "Security and Emancipation": *Review of International Studies* 17(4): 319

Booth, Ken (2005): "Introduction to Part 3": *Critical Security Studies and World Politics*: 181. Bulletin #3 (111) 2007.

Brewer, M. B. (2001): "The Many Faces of Social Identity: Implications for Political Psychology". *Political Psychology*, Vol. 22, No. 1.

Bulletine # 2 (2003). The Polar State Academy. St.Petersburg

Burgess, J. P. et al. (2007): *Promoting Human Security: Ethical, Normative and Educational Frameworks in Europe*. UNESCO.

Buzan B. et al. (1998): *Security: a new framework for analysis*. Boulder, Colo. : Lynne Rienner

Buzan, B. (1991): *People, States and Fear: An agenda for international security studies in the post-cold war era*. New York: Harvester Wheatsheaf.

Buzan, B. (1995): "Security, the State and the 'New World Order', and Beyond" in R. Lipschutz (ed.) *On Security*. New York : Columbia University Press

Buzan, B. (2004): "A Reductionist, Idealistic Notion that Adds Little Analytical Value": *Security Dialogue* 35(3).

Constantini, V. et. al. (2007): "Security of Energy Supply: Comparing Scenarios from a European Perspective" *Energy Policy* 35(1).

"Doklad o kontrole v sfere prirodopolzovaniya v NAO" (2007) (Unpublished) [Report on environmental control and monitoring in the NAO] Source: Department of Natural Resources and Ecology, the NAO Administration.

Galtung, Johan (1996): *Peace by peaceful means: peace and conflict, development and civilization*. Oslo London: PRIO Sage.

- Golovnev A.V. and Osherenko G. (1999): *Siberian Survival: The Nenets and their Story*. New York: Cornell University Press, Ithaca.
- Hayward, Alker (2005): "Emancipation in the Critical Security Studies Project" in Ken Booth (ed.) *Critical Security Studies and World Politics*. Boulder, Colo.: Lynne Rienner Publishers.
- Hoogensen, Gunhild (2004): "Is it important to talk about indigenous security? Listening to indigenous identities to reach new understandings of security", *Speaker Series for the International Indigenous Studies Program*, University of Calgary, 15 March.
- Hoogensen, Gunhild (2005): "Gender, identity, and human security: can we learn anything from the case of women terrorist?" *Canadian Foreign Policy*, spring, Vol. 12, No.1. Pp. 119-140.
- Hoogensen, G. (forthcoming): "Security in the Arctic and Antarctic" in H. G. Brauch, J. Grin, C. Mesjasz, N. C. Behera, B. Chourou, U. Oswald Spring, P. H. Liotta, P. Kameri-Mbote. (eds.). *Facing Global Environmental Change – Environmental, Human, Energy, Food, Health and Water Security Concept*. Springer-Verlag, Berlin.
- Hoogensen, G. and Stuvøy, K. (2006): "Gender, Human Security and Resistance". *Security Dialogue* 37 (2): 207-228.
- Howarth, David (2005): "Applying Discourse Theory: the Method of Articulation" in David Howarth and Jacob Torfing (eds.) *Discourse Theory in European Politics*. Basingstoke: Palgrave Macmillan. Pp. 316-350.
- Jackson R. and Sørensen, G. (2003): *Introduction to International Relations: theories and approaches*. Oxford: Oxford University Press.
- Jørgensen, M. and Phillips, L. (2002): *Discourse Analysis as Theory and Method*. London: Sage Publications.
- Kimelman, S. and Andrushin, S. (2006): "Problems of oil-and-gas orientation of the Russian economy". *Voprosy ekonomiki*. #4.
- Krause, Keith 2004: "The Key to Powerful Agenda, if Properly Defined" *Security Dialogue* 35(3): 368
- Kukla, Andre (2000): *Social Constructivism and the Philosophy of Science*. London: Routledge.
- Lavrinenko I.A., Lavrinenko O.V. and Kozlov S.V. (2004): "Ekologicheskie problemy i puti ikh reshenia" [Environmental Problems and Ways of Their Solution] in *Zhivaya priroda NAO*. Ekologicheskij Fond NAO. Naryan-Mar.
- Lie, Kai (2007): "New Atlantic Realities: Geopolitics and Petroleum Energy Supplies". *Security Brief*, 6.
- Mack, Andrew 2004: "A Signifier of Shared Values": *Security Dialogue* 35(3).
- McSweeney, Bill (1999): *Security, Identity and Interests: A Sociology of International Relations*. Port Chester, NY, USA: Cambridge University Press.

- Murashko, Olga (2003): “Do the indigenous peoples of the North need autonomous okrugs?” in *Indigenous Peoples’ World – Living Arctic*. #13.
- Nesanelis, D. A. (2003): “About Some Ethno-political Peculiarities of the Modern Russian Circumpolar Area” in *Vestnik Pomorskogo Universiteta, Special Edition, Series: Social and Humanitarian Sciences*.
- “Otchet po pervomu etapu raboty “Analiz perspektiv i razrabotka scenarijev objedinenija NAO s Arhangel'skoy Oblastju v chasti mezhbudzhetnyh otnoshenij” (2005) [Report on the first stage of “Analysis of perspectives and working out scenarios of unification of the NAO and the Arkhangel'sk Oblast concerning interregional fiscal relations]
- Owen, Taylor (2004): “Human Security – Conflict, Critique and Consensus: Colloquium Remarks and a Proposal for a Threshold-Based Definition”: *Security Dialogue* 35(3).
- Schmid, Herman (1968): “Peace Research and Politics”. *Journal of Peace Research*, No. 3. Pp. 217-32.
- Sergeev I. B. (2002): *Ekonomika ustojchivogo razvitiya neftedobyvayushego regiona* [Economy of sustainable development of an oil-producing region] Monografiya. St. Petersburg: St. Petersburg State University.
- Silverman, David (2006): *Interpreting Qualitative Data*. London: Sage Publications.
- Sjursen, Helene (forthcoming): “Security and Defence”: *European Foreign Policy Today: theory and practice*.
- Sjursen, Helene (forthcoming): “Security and Defence” in Walter Carlsnaes, Helene Sjursen and Brian White (eds.) *European Foreign Policy Today: theory and practice*. London: Sage.
- Smith, Steve (2005): “The Contested Concept of Security”: *Critical Security Studies and World Politics*: 40
- Spradley, J. (1980): *Participant Observation*. New York: Holt, Rinehart & Winston.
- Thakur, Ramesh (2004): “A Political Worldview”: *Security Dialogue* 35(3): 347-348.
- Nenetski avtomomny Okrug. Sovremennoe sostoyanie I perspektivy razvitiya* [The Nenets Autonomous Okrug: Contemporary situation and development perspectives] (2005). St.Petersburg: State Polar Academy.
- Torring, Jacob (2005): “Discourse Theory: Achievements, Arguments, and Challenges” in David Howarth and Jacob Torring (eds.) *Discourse Theory in European Politics*. Basingstoke: Palgrave Macmillan. Pp. 1-32
- Tuisku, T. (2002a): “Nenets reindeer herding and industrial exploitation in northwest Russia”. *Human Organizations*, Vol. 61, No. 2. 147-153.
- Tuisku, T. (2002b): “Transition period in the Nenets Autonomous Okrug: changing and unchanging life of the Nenets people”. In *People and the land. Pathways to reform in post-soviet Siberia*, Erich Kasten (ed.). Berlin: Dietrich Reimer Verlag. 189-205.

Tuisku, T. (2003): "Surviving in the oil age: co-existence of the reindeer herding and petroleum development". In *Social and environmental impacts in the North. Methods in evaluation of socio-economic and environmental consequences of mining and energy production in the Arctic and Sub-Arctic*, R.O. Rasmussen & N. Koroleva (eds.). Dordrecht: Kluwer Academic Publications. 449-461.

Tuisku, T. (January, 23-25, 08): "From land of reindeer to land of oil rigs. Oil development in the Nenets Autonomous Okrug". Paper for Scientific conference "Arctic Frontiers". University of Tromsø.

Otchet o rezultatah kontrolnogo meroprijatija «Proverki celevogo i effektivnogo ispolzovanija sredstv federalnogo bjudzheta, vydelennyh na realizaciju Federalnogo zakona ot 6 oktjabrja 2003 goda № 131-FZ «Ob obvih principah organizacii mestnogo samoupravlenija v Rossijskoj Federacii» [Report on results of monitoring "Control of efficient target usage of means of the federal budget allocated for realization of the Federal law of October 6, 2003 № 131-ФЗ "On general principles of organization of local self-government in the Russian Federation"] (2007) Chamber of Accounts of the Russian Federation. Bulletin # 111. URL: <http://www.ach.gov.ru/bulletins/2007/3-1.php> Accessed: 10.07.08

"Yasavei Vada" (02.11.2007). Information gazette, Yasavei.

#### **Master thesis:**

Degteva, Anna (Dec. 2006): *Oil Industry and Reindeer Herding: The problems of Implementing Indigenous Rights in the Nenets Autonomous Okrug, Russia*. University of Tromsø

#### **Articles on the Internet:**

"Analitiki mezhdunarodnoj organizacii truda opredelili koefficient Gini v Respublike Komi" [Analytics of the World Labour Organization calculated Gini coefficient for the Republic of Komi] (21.09.06) URL: [http://www.allrussia.ru/pressreview/default.asp?id=238386&rub\\_id=16](http://www.allrussia.ru/pressreview/default.asp?id=238386&rub_id=16) Accessed: 07.07.08

"Arkhngelskiy deputat: Nikto ne sobiraetsja uschemlat interesy zhitelei Nenetskogo AO" [Ankrhangelsk deputy: no one is going to infringe interests of the inhabitants of the NAO] (31.01.08). URL: <http://www.regnum.ru/news/950375.html> Accessed: 07.07.08

Bambulyak, Alexey and Frantzen, Bjørn (2005): "Oil Transportation from the Russian Part of the Barents Region. Status per January 2005". Svanhovd: Svanhovd Environmental Centre. URL: [http://www.wwf.ru/data/publ/oil\\_report\\_english\\_1.pdf](http://www.wwf.ru/data/publ/oil_report_english_1.pdf) Accessed: 20.12.08

"Bolee semi tysjach chelovek zhelajut pokinut NAO" [More than 7 thousand people want to leave the NAO] (2006). Dvina Inform. URL: <http://www.dvinainform.ru/news/2006/02/07/39047.shtml> Accessed: 16.06.08

"Eight companies apply for the right to develop the Kumzha deposit" (16.11.2007) URL: <http://www.npolar.no/ipy-nenets/items/Kumzha.html> Accessed: 10.06.08

“Gosudarstvennaya ekologicheskaya ekspertiza ne prislushalas k mneniu ekologov” [State environmental expertise neglected ecologists’ opinion] (15.04.08) WWF Russia. URL: <http://www.wwf.ru/news/article/3834> Accessed: 10.07.08

“Gubernator NAO prislushalsja k mneniu ekologov” [The governor of the NAO has taken into consideration the environmentalists’ opinion] (09.04.2007) RUSNORD URL: <http://www.rusnord.ru/2007/1/24726> Accessed: 25.06.08

Human rights in the NAO. Report 2000. URL: <http://www.hro.org/docs/reps/2000/nen/index.htm> Accessed: 03.05.08

Kalte, Zinaida (2002): “The choice is there”. English translation from the Official periodical of RAIPON “Mir korennyh narodov zhivaja Arktika” No. 9-10. URL: [http://npolar.no/ansipra/english/MKN/MKN09\\_10-07.html](http://npolar.no/ansipra/english/MKN/MKN09_10-07.html). Accessed: 03.06.08

“Ministerstvo regionalnogo razvitija razrabotalo novy podhod k tipologii regionov Rossijskoj Federacii” [The Ministry of Regional Development has elaborated a new approach to the typology of the subjects of the Russian Federation] (22.01.2007) Ministry of Regional Development. URL: <http://www.minregion.ru/WorkItems/NewsItem.aspx?NewsID=492> Accessed: 12.06.08

Oleg Moldovanov “Naselenie NAO ne vidit perspektiv regiona, kogda zapasy nefti budut ischerpany” [Population of the NAO does not see prospects for the region when the oil reserves have been depleted] (23.04.2003) Izvestia.

Moring, K. (2008): “Final countdown for reindeer on Russian Tundra”. Helsingin Sanomat. International Edition-Foreign. URL: <http://www.hs.fi/english/article/Final+countdown+for+reindeer+on+Russian+Tundra/1135233472239> Accessed: 11.07.08

“Morskoj port Varandey otkryvaetsja dlya zahoda inostrannyh sudov” [The seaport Varandey is opening for foreign ships] (15.04.08) RZD Information Portal. URL: <http://www.rzd-partner.ru/news/08/04/15/322465.html> Accessed: 11.07.08

“Mosgorduma protiv otmeny gosudarstvennoj ekologicheskoy ekspertizy pri zhilishnom stroitelstve” [Moscow City Duma is against abolishment of state environmental expertise for building dwelling houses] (02.11.06) DailyStroy. URL: <http://www.dailystroy.ru/news/4361.html> Accessed: 29.06.08

Murmansky biznes portal [Murmansk Business Portal] URL: <http://www.b-port.com/info/murmansk/> Accessed: 05.07.08

“NAO likvidiruet prirodny zakaznik” [The NAO is going to liquidate the nature reserve] (2007) RBCU URL: [http://rbcu.ru/news/RBCU/1552007\\_6.html](http://rbcu.ru/news/RBCU/1552007_6.html) Accessed: 23.06.08

“Naryan-Mar airport boosts turnover” (30.01.08) Barents Observer. URL: <http://www.barentsobserver.com/naryan-mar-airport-boosts-turnover.4454015-16288.html> Accessed: 07.07.08

“Naselenie. Trudovye resursy” [Population. Labour resources] AGTU [http://www.agtu.ru/etc/naselenie\\_trudovye\\_resursy.pdf](http://www.agtu.ru/etc/naselenie_trudovye_resursy.pdf)



“Naryan-Marskie neftyaniki popali pod sledstvie” [Oil and gas companies are under examination] (20.06.05) Mediakratia. URL: [http://www.mediakratia.ru/owa/mc/mc\\_print.html?a\\_id=660](http://www.mediakratia.ru/owa/mc/mc_print.html?a_id=660). Accessed: 18.06.08

“Obshestvennye slushania po proektu osvoenia Prirazlomnogo nefljanogo mestorozhdenia” [Public hearings concerning the project of exploitation of the Prirazlomnoe oil field] (12.05.04) Public environmental union ECOport. URL: [http://www.seu.ru/news\\_ru/npb.php?kissue=2&katcl=1946&qrecords=10](http://www.seu.ru/news_ru/npb.php?kissue=2&katcl=1946&qrecords=10). Accessed: 15.06.08

Otchet vice-presidenta po pravovym voprosam Ledkova I.E. [Report of the vice-president for legal assistance Ledkov I.E.] (2007) Yasavei. URL: <http://www.raipon.org/8%D0%BE%D0%B9%D0%A1%D1%8A%D0%B5%D0%B7%D0%B4%D0%9E%D0%B1%D0%BD%D0%BE%D0%B2%D0%BB%D0%B5%D0%BD%D0%BE/tabid/432/Default.aspx> Accessed: 05.05.08

“Perspektivy Varandeya” [Prospects for Varandey] (02.11.2005). Portnews. URL: <http://portnews.ru/comments/100/> Accessed: 11.07.08

“Ploshadi starejshego predpriyatija NAO otdayut individualnym zastrojshikam” [Localities of the oldest enterprise are given to private builders] (21.07.2007) RosbaltNord. URL: <http://www.rosbaltnord.ru/2007/07/21/327828.html> Accessed: 07.07.08

“Pravo upravljat gorodom” [Right to manage the city] in *Gorodskaja sreda*. Reference book. International social-ecological union. URL: <http://www.ecodefense.ru/guide/> Accessed: 10.07.08

“Protokol provedenia obshestvennyh obsuzhdenij TEO (project) MLSP “Prirazlomnoe” [Protocol of conducting public discussion of the technical-economic feasibility study] (2007) EcoNAO URL: <http://www.econao.ru/index.php?go=obsu> Accessed: 14.06.08

“Reindeer is our life and the future” (18.02.2004) BarentsObserver.Com URL: <http://www.barentsobserver.com/index.php?id=123692&xxforcedir=1&noredir=1> Accessed: 11.07.08

*Rybny atlas* [Fish Atlas]. Neneckij Avtonomny Okrug. URL: [http://www.internevod.com/cgi-bin/fish/pcard/reg\\_ru.cgi?nenec\\_ok](http://www.internevod.com/cgi-bin/fish/pcard/reg_ru.cgi?nenec_ok) Accessed: 07.07.08

Sokolov I. “Investicionnye perspektivy ustojchivogo ekonomicheskogo rosta v Rossii”. URL:

“Statistika pokazyvaet snizhenie zavisimosti Rossii ot eksporta nefi i gaza” (The statistics show that Russia is growing less dependent on oil and gas export) *Neftegaz.RU* URL: [www.neftgaz.ru/lenta/show/73388/](http://www.neftgaz.ru/lenta/show/73388/) Accessed: 15.06.08

Tjuljubaev, Jury (05.01.04): “How does oil smell in the Nenets Autonomous Okrug” Barents Observer. URL: <http://www.barentsobserver.com/index.php?id=112992&cat=16288&forcedir=1> Accessed: 30.05.08

Yasavei: Projects. URL: <http://www.raipon.org/Default.aspx?alias=www.raipon.org/yasavey> Accessed: 11.07.08

## Official documents, statements, and statistics

Administraciya Nenetskogo Avtonomnogo Okruga (Administration of the Nenets Autonomous Okrug). Official website [www.adm-nao.ru](http://www.adm-nao.ru) Accessed: 10.05.08

ArcticStat Circumpolar Database URL:

<http://www.arcticstat.org/tableviewer.aspx?id=8342&S=2> Accessed: 13.06.08

Centrzbirkom [Central Election Committee of the Russian Federation] (2007). URL:

<http://www.vybory.izbirkom.ru/region/izbirkom?action=show&global=1&vrn=100100021960181&region=0&prver=0&pronetvd=null>

a. Elections of political parties to the State Duma

[http://www.vybory.izbirkom.ru/region/region/izbirkom?action=show&root=1&tvd=100100021960186&vrn=100100021960181&region=0&global=1&sub\\_region=0&prver=0&pronetvd=null&vibid=100100021960186&type=233](http://www.vybory.izbirkom.ru/region/region/izbirkom?action=show&root=1&tvd=100100021960186&vrn=100100021960181&region=0&global=1&sub_region=0&prver=0&pronetvd=null&vibid=100100021960186&type=233)

b. Presidential elections:

[http://www.vybory.izbirkom.ru/region/region/izbirkom?action=show&root=1&tvd=100100022249920&vrn=100100022176412&region=0&global=1&sub\\_region=0&prver=0&pronetvd=null&vibid=100100022249920&type=227](http://www.vybory.izbirkom.ru/region/region/izbirkom?action=show&root=1&tvd=100100022249920&vrn=100100022176412&region=0&global=1&sub_region=0&prver=0&pronetvd=null&vibid=100100022249920&type=227)

Constitution of the Russian Federation. 12.12.1993. URL: [www.constitution.ru](http://www.constitution.ru) Accessed: 02.07.08

Draft Principles On Human Rights And The Environment, E/CN.4/Sub.2/1994/9, Annex I (1994).

Eide, Espen Barth (2007): “Energy Security: A common concern” Speech at ACT conference. Tromsø, February 22-25. URL: <http://www.regjeringen.no/nr/dep/fd/Om-departementet/Anna-politisk-leiing/Statssekretar-Espen-Barth-Eide/Taler-og-artiklar/2007/Energy-security-A-common-concern.html?id=486901>

Energeticheskaya strategiya Rossijskoj Federacii na period do 2020 goda [The Energy Strategy of the Russian Federation for the Period until the Year 2020] URL: <http://www.minprom.gov.ru/docs/strateg/1> Accessed: 15.06.08

Federal Service of state statistics: Federal'naya sluzhbbba gosudarstvennoj statistiki (2006). Ezhegodnyj sbornik.

Fedorov A.S. (2002): “Nalog na dobychu poleznyh iskopaemyh: pervye rezultaty” [Mineral extraction tax: first results] Press release. URL: [http://www.nalog.ru/doceng.php?id=6578&topic=official\\_briefing\\_materials](http://www.nalog.ru/doceng.php?id=6578&topic=official_briefing_materials) Accessed: 27.05.08

Goskomstat [The Federal Service of State Statistics] [www.gks.ru](http://www.gks.ru)

International Polar Year project URL: <http://www.ipygaps.org/about-multiple-securities/> Accessed: 10.07.08

International Covenant on Civil and Political Rights (1966).

Konceptsia natsionalnoj dezopasnosti Rossisjskoj Federacii [Conception of the National Security of the Russian Federation]. URL: <http://www.scrf.gov.ru/documents/1.html>. Accessed: 01.07.08

Lavrov A.M. (2005): “Budgetnaya reforma: ot upravleniya zatratami k upravleniu rezultatami” [The budget reform: from expenditures management to results management]. Seminar Management of regional and municipal budgets under the budgeting reform. Belokurikha city, December 16-17. URL: [www.altaregion22.ru/files/budget.ppt](http://www.altaregion22.ru/files/budget.ppt). Accessed: 10.06.08

Normativy otchislenij federalnyh nalogov i sborov v federalnyj budget i konsolidirovannye budgety subjektov Rossijskoj Federacii na 2003 god [Standard tax and receipts allocations to the federal budget of the subjects of the Russian Federation in 2003]

URL:

<http://www.budgetrf.ru/Publications/2003/Adoption/Federal/Npd/Budgetlaws/3046p25092002/3046p25092002010.htm>. Accessed: 15.06.08

Online dictionary (law, economics, etc.) <http://slovari.yandex.ru/dict/glossary>

Poslanie prezidenta Rossijskoj Federacii Federalnomu Sobraniju (27.04.2007) [Yearly Presidential Address to the Federal Assembly]. Rossijskaya gazeta. Federalny vypusk 27.04.2007. URL: <http://www.rg.ru/2007/04/27/poslanie.html>. Accessed: 05.07.08

Statute of the Nenets Autonomous Okrug.

The NAO in numbers 2005. Federal Service of state statistics. The Nenets Autonomous Okrug in numbers. Statistics collection, 2005.

UN HDR 2003

[http://hdr.undp.org/docs/statistics/understanding/resources/HDR\\_2003\\_2\\_2\\_global\\_income\\_inequality.pdf](http://hdr.undp.org/docs/statistics/understanding/resources/HDR_2003_2_2_global_income_inequality.pdf)

Universal Declaration of Human Rights. URL: <http://www.un.org/Overview/rights.html>  
Accessed: 10.05.08

Universal Declaration of Indigenous Peoples' Rights URL:

<http://daccessdds.un.org/doc/UNDOC/GEN/N06/512/07/PDF/N0651207.pdf?OpenElement>

Vserossijskaya perepis naselenia 2002 [All-Russia Census 2002] URL:

<http://www.perepis2002.ru/index.html?id=17> Accessed: 10.06.08

Westgaard, Geir (2007): “The Extended Concept of Energy Security”. Speech at conference “Security in the 21<sup>st</sup> century. Arctic”. The Norwegian Institute for Defence Studies. 25-26 September. URL: [www.mil.no/multimedia/archive/00099/Special\\_Adviser\\_West\\_99918a.pdf](http://www.mil.no/multimedia/archive/00099/Special_Adviser_West_99918a.pdf)  
Accessed: 12.02.08

### **E-mail:**

Nina Lesikhina (28.04.08) ”About public hearings”. NGO ”Bellona”, Murmansk. E-mail address: [nina@bellona.ru](mailto:nina@bellona.ru)

## List of interviews

**Alla** Student of the filial of the Pomor State University, Naryan-Mar

**Ardeev Alexey I.** Temporary head of the Board of the Northern Peoples, Administration of the NAO, Naryan-Mar

**Ekaterina Fedotova** Student of the filial of the Pomor State University, Naryan-Mar

**Irina Goncharova** Specialist of the Sanitary and Epidemiological Service, Naryan-Mar

**Irina Molodovskaya** Student of the filial of the Pomor State University, Naryan-Mar

**Kolesnikov** Head “Kharp” reindeer-herding enterprise, v. Krasnoe, the NAO

**Latyshev Nickolay** Specialist of the Association of the Nenets people “Yasavei”, Naryan-Mar

**Lavrinenko Olga V.** Department of Federal Service for Supervision in the Sphere of Natural Resource Use, department in the NAO, the Ministry of Natural Resources

**Medvedeva Galina B.** Director of the filial of the Pomor State University in the NAO, Naryan-Mar

**Milovskaya Natalja Nikolaevna** Geophysicist, now working as seller, Naryan-Mar

**Milovski Nickolay** Student of the filial of the Pomor State University, Naryan-Mar

**Nechaev Mikhail S.** Head of Health Department, Administration of the NAO

**Nesanelis Dmitri A.** Head of the representation office of the NAO in the Arkhangelsk Oblast, Arkhangelsk

**Rocheva Ludmila V.** Head of Department of Natural Resources and Ecology, Administration of the NAO

**Ruzhnikov S.A.** PR agent “Naryanmarneftegaz” company, Naryan-Mar  
Semyashkina

**Sochnev Vyacheslav P.** Head of the regional representation office of the Liberal-democratic party of Russia

**Tararin Viktor A.** Head of the Administration in village Krasnoe, the NAO

**Victotia Bezborodova** Student of the Pomor State University, Arkhangelsk

**Zhuravleva T.U.** Head of the “Association of local historians”, Naryan-Mar

(No name) Employee “Naryanmarneftegaz” company, Naryan-Mar

(No name) Indigenous inhabitant, chum-rabotnitsa (tent-worker)

(No name) PR agent “LUKoil-Komi” company, Naryan-Mar

### **List of tables**

Table 1. Explored oil and gas reserves in 2002

Table 2. Average number of employees in the oil and gas industry, the NAO

Table 3. Livestock of domestic animals. The NAO. Reindeer

Table 4. State and human security

### **List of figures**

Figure 1. Map of distribution of oil reserves in Russia

Figure 2. “Bringing the Human Securities Framework in the Arctic”

Figure 3. Structure of production and consumption of primary energy resources in Russia 1990-2020.

Figure 4. Attitude of the informants to the NAO

## Appendix 1

An extract<sup>36</sup> from the National Security Concept of the Russian Federation approved by the Presidential edict of December 17, 1997 # 1300; edited by the Presidential edict of January 10, 2000 #24 (My translation).

### **II. The National Interests of Russia**

National interests of Russia is a complex of balanced interests of an individual, society and state in an economic, domestic policy, social, international, informational, military, border, environmental and other spheres. They are of a long-term character, and determine major aims, strategic and current goals for the domestic and international policy of the state. The national interests are guaranteed by the institutions of the state power which act in cooperation with public organizations, acting on the basis of the Russian Constitution and the Russian legislation.

Interests of an individual involve realization of constitutional rights and freedoms, securing personal security, improvement of standards of living, physical, spiritual and intellectual development of an individual and a citizen.

Interests of the society imply strengthening democracy, establishing a legal, social welfare state, achieving and maintaining public consensus, and spiritual renovation of Russia.

Realization of the national interests of Russia is only possible on the basis of sustainable development of the economy. Therefore the national interests of Russia in this sphere are crucial.

In the domestic sphere the national interests of Russia imply maintaining the stability of the constitutional system, the institutions of the state power, guaranteeing civil peace and public consensus, territorial integrity, unity of legal space, law order and fulfillment of the process of establishing democratic society, as well as counteracting reasons and conditions contributing to appearance of political and religious extremism, [...].

[...]

The national interests of Russia in the social sphere imply guaranteeing high standards of living of the population.

[...]

The national interests of Russia in the informational sphere imply honouring constitutional rights and freedoms of the citizens in the sphere of acquiring information and applying it, in the sphere of development of the telecommunication technologies, and protecting state informational resources from illicit access.

[...]

The national interests of Russia in the environmental sphere imply conservation and enhancement of the environment.

The main threats on the basis of the interests are designated as follows (my remark):

### **III. Threats to the national security of the Russian Federation**

The state of the national economy, imperfectness of the system of the state authority and the civil society, social-political polarization of the Russian society and criminalization of the public relations, growth of organized crime and of the scale of terrorism, escalation of interethnic and complication of

---

<sup>36</sup> The present extracts aims at giving the general overview of the national interests of Russia, as well as aims, goals and priorities of the Russian Federation in the sphere of the fuel and energy sector of economy. The omitted abstracts are not, in my point of view, relevant for the topic. They may for example concern international relations of the Russian Federation, military issues, etc.

## Appendix 1 (continued)

international relations creates wide spectrum of internal and external threats to the national security of Russia.

[...]

Threat of deterioration of environmental situation in the country and depletion of its natural resources is directly dependent on the state of economy and society's willingness to realize globality and significance of these problems. This threat is especially significant for Russia due to the predominant development of the fuel and energy sectors of industry, underdevelopment of legislative basis of environment-related activities, and absence or limited usage of low impact technologies and environmental literacy. There is present a tendency of using the territory of Russia for processing and disposal of environmentally hazardous materials and substances.

[...]

## Appendix 2

Extract from “The Energy Strategy of Russia for the Period of up to 2020”, approved by the Decree No.1234-p of August 28, 2003, issued by the Government of the Russian Federation (My translation<sup>37</sup>)

### **I. Aims, tasks and guiding lines of a long-term energy state policy for the period of up to 2020.**

Russia possesses great energy and a powerful fuel and energy complex, which is the basis of economic development and the instrument of carrying the internal and external policy. The economic growth forms the expectation of increasing demand for energy resources within the country. [...]

The aim of energy policy is to make most effective use of the natural fuel and energy resources and of the potential of energy sector for economic growth and improvement of life quality. [...]

The key solution to this task lies in forming of civilized energy market and nondiscriminatory economic relations between its members and with the state. [...]

### **IV. The state energy policy**

#### **1. Basics of the state energy policy**

[...]

The aim of the policy of energy security is consistent improvement of its main characteristics:

- Ability of the fuel and energy complex to meet economically reasonable internal and external demand on energy carriers of a peculiar quality and at an affordable price;
- Ability of the consumer sector of economy to use energy resources effectively, preventing thus the society's unreasonable expenses for its energy supply and deficiency of the fuel and energy balance;
- Resistance of the energy sector to external and internal economic, technogenic and natural threats, as well as its capability to minimize harm caused by diverse destabilizing factors.

The main principles of providing energy security are:

- Guaranteeing and security of energy supply of the economy and the population in full measure in usual circumstances and in minimum essential measure under the threat of emergency cases of different nature;
- Control on the part of the state, the federal executive and local government bodies over secure energy supply of objects which guarantee state security;
- Replenishment of non-renewable fuel resources (rates of consumption of this kind of resources must accord with rates of development of energy resources substituting them); diversification of the used types of fuel and energy (the economy should not depend heavily on only one energy carrier);
- Considering environmental requirements (development of the energy industry should meet the advancing environmental requirements);
- Prevention of unreasonable use of energy carriers (interrelation with the policy of energy efficiency);
- Creation of economic conditions (first of all with the help of tax and customs measures) providing equally beneficial supply of energy carriers on the internal and external markets and rationalization of the export structure;'
- Maximum possible usage of competitive home equipment in all technological processes and projects.

[...]

---

<sup>37</sup> The present document is published in English on the official website of the European Commission, EU. URL: [http://ec.europa.eu/energy/russia/events/doc/2003\\_strategy\\_2020\\_en.pdf](http://ec.europa.eu/energy/russia/events/doc/2003_strategy_2020_en.pdf). However, I did not use abstracts from the official English version, but preferred to translate myself because of differences in wording and general wish to use authentic documents.



### Appendix 3

Table 1. Average salaries and pensions in three regions of the North-West Russia (rubles, in 1995 – thousand rubles)<sup>38</sup> (Federal Service of state statistics 2006).

	The Arkhangelsk Oblast		The Murmansk Oblast		The Nenets Autonomous Okrug	
	salaries	pensions	salaries	pensions	salaries	pensions
1995	614.0	281.5	871.5	334.6	739.2	317.6
2000	2621.0	973.8	3746.9	1006.3	5065.9	978.3
2001	3700.5	1293.8	5387.2	1319.0	9225.9	1335.3
2002	4971.7	1679.6	7222.6	1790.9	12626.8	1890.4
2003	6242.6	2015.7	8645.5	2144.9	15918.3	2318.3
2004	7887.5	2483.3	10176.6	2745.6	19024.7	3040.5
2005	9874.3	3088.9	12509.6	3410.9	23016.8	3819.3
2006					28592 <sup>39</sup>	
2007					31602	

Table 2. Average month salary and welfare payments in different spheres of economic activity, rubles. The Nenets Autonomous Okrug. Yearly index, 2006. (Goskomstat)

	2005	2006
Agriculture, hunting and forestry	7373,1	7490,6
Fishing, fish husbandry	16687,6	21529,2
<i>Production of mineral resources</i>	37566,1	43447,7
Production of fuel and energy resources	37583	43450,4*
Production of raw oil and natural gas	41183,7	46981,2
Production of mineral resources, other than fuel and energy resources	20103,6	37762,5*
<i>Processing industries</i>	14859,6	19332,9
Production of food products, including drinks, tobacco	16741,9	22671,8
Textile industry	7621	8748,7
Wood processing and woodwork	13382,4	14926,4
Production of pulp and paper, publishing and polygraphy industry	24020,8	26529,5
Production of electrical equipment, electric devices and optical equipment		17483,3
Electric power engineering, gas and water production and distribution	16832,6	19174,7
Construction industry	20020,3	22821,4
Wholesale and retail trade, maintenance services for transport vehicles, etc.	14267,2	17683,5
Hotels and restaurants	17773,3	21123,3
Transport and communication services	28022,1	34651,6*
Finances, credit system, insurance	26379,8	31868,7*
Real estate activities, renting, rendering services	22310,8	27112,6
Management, provision of military security, essential social welfare	29624,8	37937,8*

<sup>38</sup> Federal Service of state statistics. Yearly data collection, 2006.

<sup>39</sup> Statistics for the years 2006 and 2007, concerning the Nenets Atonomus Okrug are taken from the official website of the Administration of the Okrug <http://www.adm-NAO.ru/?show=statics&id=39>

Education	12128,3	16050,4
Public health service, and social maintenance	12887,9	18970,3
Rendering other communal, social and personal services (including culture and arts)	12997,4	16581,7
Industry (average)	33539,2	39460,4

\* Spheres where salaries are higher than the average.

Table 3. Percentage of employees according to spheres of economic activity. The Nenets Autonomous Okrug (Goskomstat)

	2002	2003	2004	2005	2006	2006 (%)
Average	23185	25297	26131	26188	28122	100
<b>Agriculture</b> , hunting and forestry	1791	1685	1723	1808	1800	6,4
<b>Industry</b>				8963	10180	36,1
Production of fuel and energy resources	3716	4843	5615	7269	8500	30,2*
Production of other resources	0	1	1	7	4	0,01*
Construction industry	1187	1165	1423	1665	1942	6,9
Transport and communication services	1509	1620	1604	2100	2337	8,3*
<b>Processing industries:</b>						
Production of food products, including drinks, tobacco	430	446	413	390	392	1,3
Textile industry	76	72	94	90	85	0,3
Wood processing and woodwork	115	137	89	44	47	0,16
Production of pulp and paper, publishing and polygraphy industry	63	38	40	14	13	0,04
Production of machinery and equipment	113	145	124			
Electric power engineering, gas and water production and distribution	645	1037	789	1121	1102	3,9
Rendering other communal, social and personal services (including culture and arts)	706	766	740	1038	1075	3,8
Real estate activities, renting, rendering services	4759	4680	4531	1591	1728	6,1
Finances, credit system, insurance	164	203	215	215	226	0,8*
Management, provision of military security, essential social welfare	1395	1649	1876	1819	1901	6,7*
Wholesale and retail trade, maintenance services for transport vehicles, etc.	775	1019	989	790	795	2,8
Hotels and restaurants	380	458	410	694	809	2,87
Public health service, physical training and social maintenance	1533	1552	1577	1793	1740	6,1
Education	3467	3464	3507	3420	3282	11,6

\* Spheres where salaries are higher than the average. Totally: 46,1 % of the employees in the whole spheres.

Appendix 3 (continued)

Table 4. Salaries in education and health and social services in 2006 per month

Part 1. Correlation with the subsistence level of the working population

	Subsistence level, rub.	Education		Health and social services	
		Salary, rub.	Correlation with sub.level	Salary, rub.	Correlation with sub.level
The NAO	6288	15254,6	2,4 : 1	18225,6	2,8 : 1
The MO	5518	10039,8	1,8 : 1	11600	2,1 : 1
The AO	4428	7584,1	1,7 : 1	8528,2	1,9 : 1

Part 2. Correlation with the minimum set of food products

	Minimum set of food products, rub.	Education		Health and social services	
		Salary, rub.	Correlation with minimum set of food products	Salary, rub.	Correlation with minimum set of food products
The NAO	2778,87	15254,6	5,4 : 1	18225,6	6,5 : 1
The MO	1773,29	10039,8	5,6 : 1	11600	6,5 : 1
The AO	1585,94	7584,1	4,7 : 1	8528,2	5,3 : 1

Table 5. Correlation between pensions and subsistence minimum for the pensioners, %

(Goskomstat)

	1995	2000	2001	2002	2003	2004	2005	2006	2007
The Arkhangelsk Oblast	94,6	90,3	94,2	99,6	106,7	115,2	107,6	107,4	117,6
The Nenets Aut. Okrug		59,3	66	71,1	76,6	90,2	<b>101</b>	<b>108,7</b>	<b>115,8</b>
The Murmansk Oblast	90,2	74,1	78,4	80,6	87	98,7	84,6	113,3	114,5

## Appendix 4

### DWELLING HOUSES:

Dwelling houses built for the oil and gas companies



Ordinary dwelling houses



### CHILDREN PLAYGROUNDS

In the yard of a house built for the oil and gas industry



In the yard of an ordinary house





Appendix 4 (continued)

**INSTITUTIONS:**

Office building of the “LUKoil-Komi” company



Filial of the Pomor State University in Naryan-Mar



Appendix 5



Picture from article by Oleg Moldovanov “Naselenie NAO ne vidit perspektiv regiona, kogda zapasy nefti budut ischerpany” [Population of the NAO does not see prospects for the region when the oil reserves have been depleted] (23.04.2003) Izvestia.