

ENERGY/WATER

Energy Security: Nature, not nations, will decide our limits

Lydia Powell

Energy Ministers from Pakistan and India met in New Delhi in December end to discuss the possibility of cooperation in joint development of the Yolotan-Osman gas field of Turkmenistan. If it materialises, it will significantly alter perceptions of energy security in India. The gas pipeline project from Turkmenistan through Afghanistan and Pakistan to India (TAPI) has been discussed for about two decade with little or no progress. The Iran-Pakistan-India (IPI) pipeline has been discussed for much longer. Neither has materialised because it was widely believed in India that this would be equivalent to giving one of the keys to India's energy security to Pakistan. Out of the two proposed trans-national pipeline projects, TAPI has suddenly gained momentum as it is seen as a carrot to wean India away from its flirtation with the pipeline from Iran by the United States and its allies. The joint development of the gas field in Turkmenistan by India and Pakistan may also be an idea conceived by the political backers of the TAPI but it is worth pursuing purely on its economic merits.

The Yolotan-Osman gas field is part of a giant gas field seen to be the second largest in the world holding more than 26 Trillion Cubic Meters of gas. If it is allowed to flow southwards through a pipeline it is likely to be more affordable for both Pakistan and India compared to imported gas in the form of LNG. India and Pakistan are both running short of natural gas. Pakistan which is more dependent on natural gas than India, has been witnessing civil unrest in many key cities on account of gas shortages and gas price increases. India which is relatively less dependent on gas, has left many gas consuming segments un-served.

Rather than relinquishing every opportunity to secure gas supplies at reasonable prices citing Pakistan as a threat, India must make a new beginning in Turkmenistan and decide to work with Pakistan and ensure that gas from Turkmenistan flows southwards towards India and Pakistan rather than towards Europe or China. India and Pakistan have consistently destroyed the ability to attract investors for trans-border pipelines by securitising the discourse. In addition, both India and Pakistan have made the mistake of pricing energy below cost that has limited their options in securing energy. Subsidies for electricity in India and Pakistan have meant that both countries are

stuck illiquid utilities which cannot pay for power they procure or invest in generating more power. Both countries need to look inward and accept the fact that they are energy insecure because of the irrational economic and political choices they have made and that by securitizing the issue of cross border pipelines they are only gas inaccessible and expensive.

Climate change will limit the use of coal in India (or at least more expensive) and it will possibly affect hydro power generation in Pakistan. If Pakistan and India want to survive in a resource scarce world they need to understand that in the future threats to energy security or for that matter threat to resource security will come from nature and not from nations.

(The writer is a Senior Fellow at Observer Research Foundation)