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Energy Politics and Strategic Interests in the Eastern Mediterranean Region

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Abstract

The recent discovery of substantial natural gas reserves in the Eastern Mediterranean has established a new political and economic landscape, fostering the potential formation of both regional and global alliances. These discoveries have the capacity to significantly influence regional politics and the global economy. However, existing and historical disputes, political instability, the contentious issue of how natural gas resources will be shared among nations, and the competitive dynamics within the global natural gas market are all factors that currently hinder the full-scale exploration and production of these resources in the Eastern Mediterranean. Despite these challenges, the ongoing gas explorations over the past decade suggest that the region is poised to become a crucial arena for an increasing number of regional and global actors. The pace of research, development, and exportation of these gas reserves, as well as the strategic decisions made by countries within the region, will be heavily influenced by their national energy policies and broader regional political considerations. This dynamic interplay of interests and actions underscores the complexity of the energy politics in the Eastern Mediterranean. This study aims to investigate the leading energy players in the Eastern Mediterranean, examining their conflicts and the strategic goals of global powers regarding the region's energy resources. By analyzing these factors, the study provides insights into the future of energy geopolitics in the Eastern Mediterranean, highlighting how national and international strategies might evolve in response to these new gas discoveries. The findings underscore the importance of understanding the interplay between energy resources and geopolitical strategies in a region that is likely to become a focal point of global energy politics.

Keywords: Natural Gas, Eastern Mediterranean, Energy Politics, Geopolitics

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1. INTRODUCTION

In recent years, both regional and global politics have increasingly focused on the Middle East, particularly the Eastern Mediterranean. While there are numerous reasons for the region's prominence in global affairs, energy has consistently been a central factor driving geopolitical dynamics in the Middle East since the 19th century. The region became a focal point of global conflict in the early 20th century with the widespread development and use of petroleum. More recently, the discovery of vast natural gas reserves in the Eastern Mediterranean has transformed the region into a significant energy hub, making it a prime target for regional and global powers seeking to exert influence both politically and economically. Energy has long played a critical role in shaping the relationships between governments. The newly discovered gas reserves in the Eastern Mediterranean are now providing the political and economic foundation for emerging regional and global alliances. However, historical disputes, political instability, divisions between countries, and intense competition over natural gas resources have slowed the pace of production and exploration in the region. These longstanding conflicts and tensions between Eastern Mediterranean nations have created an unstable environment, hampering the region's potential for economic and political integration.

While these conflicts have deep historical roots, recent evaluations suggest that there may be opportunities for new alliances aimed at overcoming fundamental disagreements and fostering economic and strategic cooperation. Some experts draw parallels with the European Coal and Steel Community, established after World War II, which brought economic and political unity to Europe. A similar model of cooperation in the Eastern Mediterranean could potentially lead to greater stability and integration, though significant hurdles remain. If such cooperation were to materialize, it could provide substantial economic relief to countries like Israel, Egypt, Southern Cyprus, and Lebanon, all of which possess these natural gas resources. Furthermore, Turkey, despite lacking its own significant energy resources, could benefit greatly from such cooperation due to its strategic location as a transit hub. This could support Turkey's goal of becoming an energy center and reduce Europe's dependency on Russian energy supplies to some extent. However, achieving this level of regional cooperation requires overcoming significant political and historical barriers. Some foundations for collaboration are already visible in alliances between Israel and Southern Cyprus, Greece and Southern Cyprus, as well as Egypt. Additionally, the warming relations between Turkey, Greece, and Israel are viewed as positive signals for potential future cooperation. These developments are seen as steps toward a more cooperative regional framework that could enhance energy exploration and production.

Despite these positive developments, global powers seeking to control energy resources and their traffic in the region

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present significant obstacles to realizing this potential cooperation. The involvement of global actors in the Eastern Mediterranean energy landscape adds another layer of complexity, as these powers often have competing interests that can destabilize efforts to foster regional collaboration. This study will explore the potential of the natural gas reservoirs in the Eastern Mediterranean, briefly discussing how these resources could transform the economic, strategic, and political dynamics of the region. It will then address the major energy players in the region and their ongoing disagreements, followed by an analysis of the goals and strategies of global powers regarding the energy resources in the Eastern Mediterranean. The study aims to provide a comprehensive understanding of the regional and global energy competition and the factors influencing future cooperation or conflict in the region.

2. THE EASTERN MEDITERRANEAN ENERGY RESERVOIRS

Israel, Egypt, Southern Cyprus, Lebanon, Syria, and Palestine are countries with significant potential energy resources, particularly natural gas discoveries in the Eastern Mediterranean. This section will provide an overview of these countries' available and potential gas reservoirs, as well as the importance of these resources for their domestic energy markets and international energy dynamics. The best-known discoveries in the Eastern Mediterranean are the Tamar and Leviathan gas fields off the coast of Israel, discovered in 2009 and 2010. These fields represent some of the largest gas finds in the last decade, with approximately 35 trillion cubic meters of natural gas discovered in the waters of Israel and Cyprus, and the possibility of an additional 85 trillion cubic meters off the coasts of Israel, Syria, Lebanon, and Palestine (El Katiri and Fattouh, 2014). While the precise amount of natural gas in the region varies depending on the source, it is clear that the Eastern Mediterranean holds considerable untapped reserves. The natural gas discoveries between 2009 and 2011 in Israel's Tamar and Leviathan fields and Cyprus's Aphrodite field have attracted global attention. Analysts believe that these discoveries could strengthen regional energy cooperation and contribute to economic and political stability, although initial expectations have been tempered over time (Tagliapietra and Zachmann, 2015). The discoveries have significantly increased the region's strategic importance, not only for domestic use but also for export, particularly for Israel, which sees Europe and nearby markets as potential buyers. The value of Eastern Mediterranean natural gas lies not only in its economic potential but also in the political leverage it can provide in international relations.

Although the major gas discoveries are primarily located in Israel and Egypt, political instability, border disputes, and historical hostilities between countries in the region complicate efforts to fully exploit these resources. Global and regional competition further complicates extraction and utilization. However, if financial interests eventually outweigh these challenges and cooperation is achieved, the natural gas reserves in the Eastern Mediterranean could play a crucial role in reshaping the region's geopolitical landscape (El Katiri and Fattouh, 2014; Imran et al., 2021). Israel, once a major importer of natural gas, was dependent on Egypt until 2012 when terrorist attacks in the Sinai Peninsula disrupted the gas supply. This caused power shortages in Israel, but the operationalization of the Tamar gas field in 2013 drastically changed Israel's energy situation. The share of natural gas in Israel's electricity production rose from 20% in 2008 to 40% in 2010, and to 50% by 2014 (The Natural Gas Sector in Israel, 2015), thanks to infrastructure projects led by Israel's Infrastructure Ministry. In 2013, the Israeli government approved the export of 40% of its natural gas reserves, a decision driven by the halt in gas imports from Egypt. By then, Israel was producing only 14% of the gas it consumed (Roberts, 2014). Despite being isolated from its Arab neighbors due to longstanding political conflicts, Israel's gas discoveries in the Mari-B, Tamar, and Leviathan fields have not only secured domestic demand but also positioned the country as a potential exporter.

These discoveries present opportunities for both energy security and economic growth, with significant hydrocarbon resources beneath the Eastern Mediterranean. Israel's transition from an energy-dependent country to an energy-independent one demonstrates the transformative potential of these natural gas fields. If countries in the region can establish the necessary political and technical infrastructure, they could join the ranks of global energy exporters, offering Europe and Asia competitive gas supply options. This could diversify supply sources and routes, improving European energy security, which has been a pressing concern given the political sensitivity of relying on Russian gas (Karbuz, 2014). Israel and Cyprus, in particular, have become potential game changers due to their natural gas developments (Cohen, 2015). The European Union acknowledges the importance of building strong relationships with its neighbors to ensure energy security, achieve climate change targets, and diversify energy sources and supply routes. Over the next 15 years, the Eastern Mediterranean is expected to play a key role in meeting Europe's growing demand for natural gas, which is projected to reach 100 billion cubic meters annually.

Countries in the Eastern Mediterranean are eager to capitalize on their natural gas resources. The region, heavily reliant on oil for electricity generation, stands to benefit significantly from a transition to natural gas. For instance, Lebanon relies on oil for 95.1% of its electricity production, Jordan for 72.5%, and Cyprus for 96.4% (Johnson, Ross, Zemenides, 2015). Transitioning to natural gas, a more stable and cost-effective power source, would lower energy costs for both industrial and consumer markets. Israel has long been viewed as an "energy island," forced to diversify its energy resources due to energy shortages in 2012. In less than three years, Israel transitioned from an energy-dependent nation to an energy exporter. However, Israel's strained relations with its neighbors pose significant obstacles to becoming a true "energy island" (Sachs-Boersma, 2015). Israel's energy sector is currently shifting from coal to natural gas, with the government projecting that by 2030, 70% of the country's electricity will be generated from natural gas, and 50% of total energy consumption will rely on this resource. Israel is expected to become one of the top 25 natural gas exporters in the world (Johnson, Ross, Zemenides, 2015). However, there are several significant obstacles to achieving these goals, which will be discussed in subsequent sections. Egypt, with a rich political and economic history, has faced political instability

in recent years due to its geopolitical significance and the Suez Canal's strategic location. Egypt was once a major exporter of natural gas, but the Arab Spring and subsequent political instability, coupled with pipeline attacks in the Sinai Peninsula, disrupted its energy supply to Israel in 2012. Egypt's fortunes changed in 2015 with the discovery of massive natural gas reserves in its territorial waters, announced by the Italian energy company ENI. This discovery has the potential to not only benefit ENI and other energy companies but also significantly impact the Egyptian, regional, and global markets (Cunningham, 2015). Egypt estimates that it has 30 trillion cubic meters of natural gas reserves, with 40% confirmed (Ronen, 2016). These discoveries are expected to meet domestic demand, and Egypt projects that by 2020, its natural gas production will exceed consumption. The timing of ENI's discovery was fortuitous for Egypt, as its natural gas demand had increased by 7% between 2004 and 2013. Israel, hoping that Egypt would become a market for its natural gas exports, also focused on expanding its exploration efforts (Cunningham, 2015). These developments highlight the complex interplay between energy, politics, and economics in the Eastern Mediterranean, with natural gas discoveries offering both opportunities and challenges for the region's future. The magnitude of natural gas discoveries, especially in Egypt's Zohr region, is poised to systematically alter the geopolitical landscape of the Eastern Mediterranean. These discoveries are not just significant for the countries directly involved but have wider implications for regional and global energy markets. The Zohr gas field, found in Egyptian waters by the Italian energy company ENI, is one of the largest gas fields ever discovered in the Mediterranean. It holds the promise of transforming Egypt from a net importer of energy into a key player in the global energy market. However, the immediate priority for Egypt is to address its domestic energy needs, which have been in crisis for years due to growing demand and insufficient supply.

Egypt, having faced severe energy shortages, had resorted to renting 200 storage and regasification units in the past five years and had begun importing liquefied natural gas (LNG) to meet domestic demand (Tagliapietra & Zachman, 2015). The discovery of Zohr comes at a critical time, as it allows Egypt to significantly reduce its reliance on LNG imports, which had become a costly solution. With the Zohr field expected to meet Egypt's energy demand for the foreseeable future, the country can stabilize its domestic market, potentially putting an end to the energy crisis that has plagued it for years. Moreover, the discovery positions Egypt as a future exporter of natural gas, not just a consumer. Some international energy research firms predict that by 2020, Egypt's natural gas production will surpass its domestic consumption, paving the way for exports. Egyptian economists even suggest that this could happen earlier than expected (Emam, 2016). The significance of this shift cannot be overstated, as it not only secures Egypt's energy independence but also has the potential to reconfigure regional energy trade flows. The Zohr gas field's impact extends far beyond Egypt's borders. The discovery is being closely watched by other Eastern Mediterranean nations, and it has reignited interest in regional energy cooperation. The development of Zohr is seen as a catalyst for the broader development of the region's natural gas potential. Other significant gas fields in Israel, Cyprus, and Lebanon may also benefit from the renewed focus on the Eastern Mediterranean as a global energy hub. This cooperation is not only driven by the potential economic benefits but also by the strategic need for energy security and diversification in the region.

One of the most critical implications of Egypt's growing gas potential is the impact it will have on regional geopolitics, particularly concerning energy alliances and rivalries. Historically, Egypt had been reliant on external sources of energy, particularly imports from Russia's Gazprom. A five-year contract signed in 2015 between Egypt and Gazprom highlighted Egypt's dependence on LNG imports. However, with the development of Zohr, Egypt is expected to significantly reduce or even eliminate its need for Russian gas, which could strain energy relations between the two countries (Scimia, 2015). This shift also weakens Russia's influence in the region, as Gazprom has historically played a dominant role in supplying energy to various countries, especially in Europe. The Zohr gas field could also position Egypt as an alternative energy supplier for Europe, providing a viable source of natural gas that could reduce Europe's dependency on Russian gas imports. This is particularly significant for European energy security, as Russia has often used its energy supplies as a geopolitical tool. The development of Zohr offers Europe an opportunity to diversify its energy sources, thereby enhancing its energy security and reducing the risk of future energy supply disruptions. Additionally, the discovery of Zohr is expected to fuel further energy exploration and cooperation across the Eastern Mediterranean. Israel, Cyprus, and Lebanon have also discovered substantial gas reserves, and the development of these fields could create a more integrated regional energy market. Countries with gas reserves can collaborate on infrastructure projects, such as building pipelines or liquefaction plants, to efficiently export gas to international markets. The Eastern Mediterranean could become a vital energy corridor, connecting Europe, Asia, and Africa, thereby enhancing its strategic importance on the global stage.

However, despite the opportunities, several challenges remain. Political instability, territorial disputes, and long-standing hostilities between countries in the region could hinder the full development of these resources. For example, maritime border disputes between Israel and Lebanon, or Turkey's opposition to gas exploration in Cyprus' territorial waters, could complicate regional cooperation. These geopolitical tensions may slow down or even block the development of joint energy projects, delaying the region's emergence as a major energy hub. The Zohr gas field has also spurred renewed discussions about regional collaboration. Although cooperation on natural gas exploration and production in the Eastern Mediterranean had stalled due to political and territorial conflicts, the discovery of Zohr has rekindled hopes for a more unified approach to energy development. Egypt's strategic position and the size of its gas reserves make it an attractive partner for neighboring countries looking to collaborate on energy projects. Furthermore, international energy companies are increasingly interested in investing in the region, seeing the potential for long-term returns as the global demand for natural gas continues to rise. The discovery of the Zohr gas field marks a pivotal moment for Egypt and the entire Eastern Mediterranean region. While the immediate focus is on addressing Egypt's domestic energy needs, the broader implications are far-reaching. The Zohr gas field has the potential to transform Egypt into a key player in the global energy

market and could serve as a catalyst for regional cooperation. If the challenges of political instability and territorial disputes can be overcome, the Eastern Mediterranean could emerge as a critical energy hub, providing natural gas to Europe, Asia, and beyond. This would not only enhance energy security for countries in the region but also reduce Europe's reliance on Russian gas, thereby altering the geopolitical dynamics of the global energy market. The Zohr discovery has set the stage for a new era in the Eastern Mediterranean, one that could see the region playing a much more significant role in the global energy landscape. With the vast natural gas reserves that Egypt possesses, it is widely recognized that the country holds the keys to the future of natural gas development in the Eastern Mediterranean (Tagliapietra & Zachman, 2015). Egypt's role in the region's energy landscape is pivotal, as it has the potential to form a strategic energy center, particularly through cooperation with Israel and Cyprus. This collaboration could establish the Eastern Mediterranean as a vital hub for energy production and export. However, Egypt also has the capacity to act independently, leveraging its resources to advance its own energy agenda. Yet, when the global risks of pursuing an independent path are considered, the advantages of cooperation become more apparent. Aligning with regional partners like Israel and Cyprus can provide a more stable and secure foundation for Egypt's energy ambitions, reducing geopolitical risks and enhancing its leverage on the international stage.

The timing is also critical, as long-term energy supply contracts between Europe and countries like Norway and Russia are set to expire in 2020. This will open up new supply opportunities for Europe, which has been seeking to diversify its energy sources to reduce dependency on Russian gas. As Europe looks to secure alternative suppliers, the Eastern Mediterranean, with Egypt playing a central role, emerges as a promising option. Egypt, Israel, and Cyprus are well-positioned to offer new, competitive energy supply routes that can meet Europe's growing demand for natural gas, thereby reshaping regional energy dynamics. The formation of a new energy hub in the Eastern Mediterranean will largely depend on the domestic policies and regional politics pursued by the key players, as well as the influence of global geopolitics. National interests, regional alliances, and the involvement of international actors will all play crucial roles in determining how these resources are developed and commercialized. The interplay between these factors will shape the future of energy development in the region. Global energy companies, acutely aware of these dynamics, have expressed strong interest in participating in the Eastern Mediterranean gas projects. Russian energy giants such as Rosneft, Lukoil, and Gazprom have made concerted efforts to secure a foothold in the region by attempting to acquire shares in Israel's Leviathan gas field and Egypt's Zohr field. These companies have also sought to influence the timing and strategy for bringing these resources to market, driven by their desire to maintain a key role in the global energy supply chain (Baris, 2016). Their involvement signals the strategic importance of the Eastern Mediterranean in the broader context of global energy markets.

For Russia, securing a presence in the Eastern Mediterranean is not merely about diversifying its portfolio but also about maintaining its dominance in European energy markets. As Europe seeks to reduce its dependence on Russian gas, Russia's energy companies are eager to position themselves within the emerging Eastern Mediterranean gas market to safeguard their influence. By investing in the Leviathan and Zohr fields, Russian firms aim to ensure that they remain key players in the supply of natural gas to Europe, even if that gas originates from new sources. This strategy allows Russia to maintain leverage in the energy market, while also benefiting from the region's growing importance as a hub for natural gas exports. However, the development of the Eastern Mediterranean as a significant energy center will depend not only on the interests of global energy companies but also on the willingness of regional players to cooperate. While countries like Egypt, Israel, and Cyprus have much to gain from collaborating on energy projects, political tensions and historical conflicts could pose significant challenges to achieving the level of cooperation needed to fully realize the region's potential. For example, the ongoing maritime border disputes between Israel and Lebanon, as well as Turkey's opposition to gas exploration in Cypriot waters, could disrupt efforts to form a cohesive energy bloc in the region.

Moreover, Egypt's decision to act alone or in cooperation with other regional players will be shaped by both domestic and global considerations. Acting independently could provide Egypt with greater control over its resources, but it also presents significant risks, particularly in terms of navigating the complexities of the global energy market. Cooperation, on the other hand, offers Egypt the opportunity to share risks, pool resources, and strengthen its position in the global energy landscape. Ultimately, the development of the Eastern Mediterranean as a key energy center will require careful balancing of national interests, regional cooperation, and global engagement. The involvement of major global energy players like Russia underscores the strategic importance of the region's natural gas resources. For Egypt, Israel, and Cyprus, the challenge will be to navigate these complex dynamics in a way that maximizes their economic benefits while minimizing geopolitical risks. The Eastern Mediterranean's vast natural gas reserves, with Egypt at the forefront, have the potential to significantly alter the region's geopolitical landscape. As Egypt considers its options—whether to act independently or form alliances with regional partners—the global energy market will continue to evolve, with new opportunities for cooperation and competition emerging. The role of major global energy companies, particularly from Russia, further complicates the equation, as they seek to secure their position in this emerging market. The formation of an energy hub in the Eastern Mediterranean will depend on the interplay of regional and global forces, and its success will hinge on the ability of key stakeholders to overcome political and historical obstacles in favor of mutual economic and strategic interests.

3. THE LEAD ENERGY PLAYERS

Countries rich in hydrocarbon resources, such as oil and natural gas, often find themselves at the center of global attention, gaining significant economic and political importance. However, this prominence comes with risks. While possessing

abundant natural resources can offer strategic advantages and the potential for economic growth, it also exposes these countries to threats such as political instability, economic collapse, and regional or global interference. Iraq and Venezuela serve as prime examples of this phenomenon. Both nations have substantial hydrocarbon reserves, yet they suffer from severe political and economic crises, highlighting the paradox that resource wealth does not always translate into stability or prosperity. In fact, the presence of such resources can sometimes exacerbate conflict and foster dependency, undermining long-term development. Turkey, despite being relatively poor in terms of energy resources, stands out as a unique case in the region. While the Middle East is known for its rich natural gas reserves, Turkey lacks significant domestic hydrocarbon deposits. Yet, Turkey's geographic location has turned it into a critical energy hub. The country is increasingly gaining importance as a key regional energy transit center, as well as a major consumer of energy resources. This strategic role is reinforced by the U.S.-based Energy Information Administration, which notes Turkey's growing significance in energy transit and consumption (Le Bon, 2015). Turkey's strategic position as a NATO member and a country with ties to the European Union further elevates its geopolitical importance. It serves as a vital bridge between energy-rich regions such as Iraq, Russia, and the Caspian Sea, and energy-hungry markets in Europe. Through pipelines that transport oil and gas from these regions, Turkey plays a crucial role in connecting these energy sources to Europe. Over the past decade, as Turkey's economy has grown, so too has its demand for energy. However, its limited domestic energy resources make the country highly dependent on energy imports.

Turkey's domestic oil production has been on the decline, with production dropping from 85,000 barrels per day in 1991 to just 43,000 barrels per day in 2004. In contrast, the country's liquid fuel consumption in 2013 was approximately 734,000 barrels per day, creating a substantial gap between domestic production and demand. According to the International Energy Agency (IEA), Turkey's crude oil imports are expected to double in the next decade (Middle East News Service, 2015). One of the fastest-growing countries over the past decade, Turkey has seen a sharp rise in energy consumption, with natural gas playing a central role in meeting its energy needs. Natural gas consumption in Turkey more than doubled from 22.1 billion cubic meters in 2004 to 48.6 billion cubic meters in 2014. This rapid increase has made Turkey highly dependent on energy imports, particularly from Russia, which supplied 56% of Turkey's natural gas in 2014 (World Energy Council, 2016). This dependency on Russian gas presents both economic and political challenges, as Turkey seeks to balance its energy security while navigating the complex geopolitics of the region.

While Turkey may not possess the abundant hydrocarbon resources of its Middle Eastern neighbors, its strategic location has positioned it as a key player in the region's energy landscape. The country's role as both a consumer and a transit hub for energy resources makes it an important actor in global energy markets. However, its reliance on imports, particularly from Russia, underscores the vulnerabilities that come with such dependence. Turkey's ability to navigate these challenges, while leveraging its strategic position, will be critical to its future role in the global energy system. Turkey faces significant challenges in maintaining energy security, particularly due to its geopolitical tensions and reliance on Russia for natural gas. As a major supplier, Russia delivers natural gas to Turkey via the Black Sea and Ukraine, but the ongoing conflict between Russia and Ukraine has raised concerns about the reliability of this supply route. With the possible termination of the Ukraine pipeline in 2019 due to the crisis between these two countries, Turkey has been compelled to seek alternatives and diversify its energy sources to mitigate the risk of a natural gas shortage (Jin, 2016). Turkey's tensions with Russia escalated dramatically after the downing of a Russian fighter jet near the Turkey-Syria border on November 24, 2015. This incident further strained relations between the two nations, which had already been complicated by conflicting interests in Syria and Russia's annexation of Crimea. In response, Turkey has taken steps to reduce its energy dependence on Russia. Part of this strategy involves rekindling relationships with Israel and Egypt, both of which have significant energy resources in the Eastern Mediterranean. Turkey has sought to resolve its political differences with Israel and, to some extent, with Egypt as well, aiming to reduce its reliance on Russian oil and gas.

The overthrow of Egyptian President Mohammad Morsi and the rise of President Abdel Fattah el-Sisi strained relations between Turkey and Egypt, particularly as Turkish President Recep Tayyip Erdogan had been a vocal supporter of Morsi and the Muslim Brotherhood. However, as tensions with Russia have risen, Turkey has moderated its rhetoric toward Egypt, suggesting a potential shift toward cooperation (Enam, 2016). This shift indicates Turkey's growing need to diversify its energy partners and reduce its vulnerability to disruptions in Russian energy supplies. The discovery of natural gas reserves in the Eastern Mediterranean has further complicated the geopolitical landscape. Energy has become a driving force in the region, both intensifying tensions and fostering new alliances. Israel, with its significant gas discoveries in the Tamar and Leviathan fields, has emerged as a key player, and there has been ongoing dialogue between Israeli and Turkish authorities about constructing a natural gas pipeline to Turkey. This cooperation would allow Turkey to access Israel's gas supplies and decrease its dependence on Russia.

The Russian military intervention in Syria has also heightened tensions between Turkey and Russia. Turkey has criticized Russia for supporting Syrian President Bashar al-Assad, accusing Moscow of using the fight against ISIS as a pretext to bolster the Assad regime. Israel, on the other hand, views Russia's actions as an attempt to expand its influence in the region, which also concerns Turkey (Cicekci, 2016). As a result, both Turkey and Israel share a mutual interest in limiting Russia's influence in the region, making energy cooperation between the two countries a strategic priority. Turkey's efforts to diversify its energy sources stem from its geopolitical tensions with Russia and the need to secure its energy supply in the face of regional uncertainties. By strengthening ties with Israel and Egypt, and exploring the construction of a natural gas pipeline with Israel, Turkey aims to reduce its dependence on Russian gas and solidify its position as a regional energy hub. However, these efforts must navigate the complexities of regional politics, as energy interests continue to reshape alliances and rivalries in the Eastern Mediterranean.

Russia, following the end of the Cold War, has experienced a significant reduction in its global influence and power. While it continues to play an important role on the global stage, Russia often behaves as an intermediate power rather than a dominant one, as it did during the Cold War (Sussex, 2012). This shift in behavior is evident in Russia's actions in Ukraine and Syria, where its military presence and seemingly irrational decisions have been interpreted as attempts to maintain influence and power. In these contexts, Russia has used energy as a political tool, leveraging its vast natural gas and oil resources to maintain geopolitical influence. Despite these challenges, Russia remains the world's largest exporter of natural gas and oil and holds the world's largest known natural gas reserves. When considering the unexplored energy resources in its territory, Russia's potential as a major global energy power remains significant. Its geographical location gives it a unique advantage, with borders that touch two of the world's largest energy importers: Europe and China. Russia's annexation of Crimea in 2014 sparked renewed discussions within the EU and NATO about energy security and the risks of relying heavily on Russian energy. The EU's energy dependence on Russia has broad implications for the economies and citizens of its member states (Lidegaard and Bildt, 2014). The energy crises between Russia and Ukraine in 2006, 2009, and 2013-2014 highlighted the vulnerability of the EU's energy security, with disputes over natural gas prices causing widespread disruptions. These incidents underscored the potential danger of Russia using natural gas as a political weapon, fundamentally altering the EU's approach to energy security (Ozer, 2013).

The reliance on Russian gas goes beyond mere economic concerns. It also influences Europe's security policies, particularly as the EU seeks to diversify its energy supply to mitigate risks. The Eastern Mediterranean holds significant potential for providing alternative energy resources, reducing Europe's dependence on Russia. However, Russia, recognizing the importance of retaining its energy dominance over Europe and other countries, has increased its military presence in the region, using the fight against ISIS as a justification. This is part of Russia's broader strategy to secure its energy market, as losing customers like the EU and Turkey would have catastrophic effects on its economy, which relies heavily on energy revenues. The sharp decline in oil prices beginning in mid-2014, combined with prices hovering around \$40 per barrel in 2015, led to a significant reduction in Russia's energy income, which accounts for roughly 50% of its budget (Mirinova, 2015). Economic sanctions imposed by the West following the annexation of Crimea have further compounded the strain on Russia's economy, putting immense pressure on its financial system and limiting its ability to access the technology and financing needed to modernize its energy sector (Johnson, 2015).

Historically, economic shocks of this magnitude can have unpredictable consequences for a nation's economy and society. Russia's lack of product diversity in its export markets exacerbates this vulnerability, as it relies almost exclusively on energy revenues. In response, Russia has managed to maintain its share of the global oil market through long-term contracts and investment in export projects. However, maintaining its share of the global natural gas market will require a complete overhaul of its energy sector, which is hindered by limited access to modern technology and financing (DePersio, 2015). Given these challenges, it is clear that Russia will continue to seek ways to remain a key player in the Eastern Mediterranean energy sector. One strategy involves forming partnerships with countries that possess natural gas reserves in the region, while another involves increasing its military presence in Syria to assert control over energy routes. Israel's role in this dynamic is particularly important. Despite its relatively cautious approach to alliances in the Middle East, Israel's strong global influence, lobbies, and its strategic alliance with the United States will be crucial in determining how Russia's ambitions in the Eastern Mediterranean play out. The U.S.'s position will likely be a decisive factor in shaping the future energy landscape of the region.

4. USA AND EASTERN MEDITERRANEAN POLICY

It is unlikely that the United States, as a global power, would remain indifferent to the vast energy reserves in the Eastern Mediterranean and the economic and political impacts these resources could have on global markets. However, the degree and nature of the U.S.'s interest in these resources need to be understood in the broader context of its evolving energy policy and geopolitical strategy. While U.S. Energy Secretary Ernest Moniz underscored the importance of the Eastern Mediterranean's natural gas reserves during a two-day visit to Israel for the U.S.-Israel energy treaty (Zalel, 2016), the U.S.'s interest in Middle Eastern energy resources has generally diminished in recent years. This decline is largely attributed to the U.S.'s success in developing shale gas technology, which has significantly increased its domestic oil and gas production. As a result, the U.S. has shifted its geopolitical and economic focus toward the Asia-Pacific region, further supported by the improvement of its relationship with Iran (Di Faria, 2016).

Despite this, the U.S. remains interested in the natural gas discoveries in Israel and Cyprus, particularly in how they could affect energy security in Europe. The Eastern Mediterranean gas reserves are seen as a potential alternative energy source for EU countries that are heavily dependent on Russian gas. Although the U.S. has the potential to become the world's largest gas producer due to advancements in shale gas production, the U.S. government views the Eastern Mediterranean as a strategic energy hub that could help reduce Europe's reliance on Russian energy. This is significant in the context of ongoing tensions between Europe and Russia, especially following the Ukraine crisis and the annexation of Crimea. A key player in this scenario is Noble Energy, a U.S.-based company that played an essential role in discovering the Eastern Mediterranean's natural gas reserves. Noble Energy holds significant stakes in the region: 40% of Israel's Leviathan field, 36% of Tamar, and 70% of Cyprus's Aphrodite field (Karagiannis, 2016). However, it is important to note that Noble Energy is a midsize company, not one of the U.S.'s largest oil giants. Its involvement in the Eastern Mediterranean is more about commercial interest and geopolitical stability than direct energy security benefits for the U.S. itself, as the natural gas in the region has minimal effects on U.S. energy security.

Unlike in previous decades, major U.S. oil companies have shown little interest in the gas resources being developed in

Israel, Egypt, or Cyprus. The relatively low U.S. investment in these fields reflects a broader trend: the U.S. is less dependent on foreign energy due to its shale gas revolution. However, Noble Energy's involvement in the region does align with broader U.S. geopolitical interests, particularly in fostering better relations between Israel and Turkey and addressing the long-standing Cyprus problem (Bryza, 2016). For the U.S., energy is viewed as a catalyst for reshaping relationships and resolving conflicts. The natural gas discoveries in the Eastern Mediterranean provide an opportunity to redefine troubled relationships, particularly in the context of Israel-Turkey ties and the Cyprus conflict. By leveraging energy as a tool for diplomacy, the U.S. sees potential for resolving "frozen conflicts" and fostering cooperation in a volatile region. The Eastern Mediterranean's demand for a stable energy infrastructure presents a strategic opening for the U.S. (Johnson et al., 2015). A closer relationship between Israel and Turkey, coupled with a resolution to the Cyprus issue, could establish a robust strategic axis in the Eastern Mediterranean. This would strengthen the geopolitical harmony between Europe, the U.S., and regional players, forming a long-lasting alliance extending from the Atlantic to the Levant. Such an outcome would also serve to counterbalance Russian influence in the region, particularly in light of President Vladimir Putin's confrontational stance against NATO following the Ukraine crisis (Bryza, 2016). While the U.S. is less dependent on Middle Eastern energy resources due to its shale gas production, it recognizes the strategic importance of the Eastern Mediterranean's natural gas reserves, particularly in supporting European energy security and countering Russian influence. Noble Energy's involvement highlights the U.S.'s interest in using energy diplomacy to strengthen ties between regional powers like Israel and Turkey, as well as resolving long-standing conflicts such as the Cyprus issue. Ultimately, the U.S. views the Eastern Mediterranean's energy potential as an opportunity to reinforce the transatlantic alliance and mitigate geopolitical challenges posed by Russia.

5. CONCLUSION

In conclusion, the vast array of risks involved in the production and export of natural gas from the Levant remains a significant issue. One of the primary barriers to regional cooperation, as previously mentioned, stems from the historical tensions, insecurities, and conflicts among the countries in the region. These longstanding disputes create obstacles to collaboration on natural gas extraction and export. Moreover, the exact mechanisms for how the gas will be extracted and transported to consumers remain unclear, further complicating the situation. Additionally, the increased military presence of the U.S. and, especially, Russia in Syria—under the pretext of combating ISIS—has significantly escalated the competition in the region. Syria, with its strategic importance for energy routes, has become a focal point of this geopolitical rivalry. Russia's military intervention in Syria, coupled with its long-term agreements regarding energy resource discoveries and utilization, should not be viewed solely through the lens of energy. Rather, it reflects a broader attempt to control the critical energy routes in the Eastern Mediterranean, intensifying the already complex competition for dominance in the region's energy market. One of the significant obstacles to current and potential cooperation between the Turkish and Greek governments is the long-standing Cyprus problem.

The division of Cyprus remains a politically sensitive issue, impeding broader regional cooperation. However, if a pragmatic, economically-driven approach is adopted by Turkey regarding Cyprus, this could open the door for enhanced cooperation, particularly in the energy sector. Such collaboration could help reduce Turkey and the region's dependence on Russian natural gas, which is both expensive and politically challenging. By working together on energy initiatives, Turkey could further its strategic goal of becoming a regional energy hub, which would benefit both Turkey and Greece, as well as the broader Eastern Mediterranean (El Katiri and Fattouh, 2014). Although Cyprus aspires to become a regional gas hub, the persistent hostility and tensions with neighboring countries, including Lebanon and Israel, present significant challenges. In early 2016, the President of Greece, the Cypriot leader, and the Israeli president signed an agreement aimed at strengthening cooperation between their countries. However, the actual impact of this agreement remains uncertain, as the political and logistical complexities in the region are formidable (Nakle, 2016). One major issue is the construction of a pipeline between Greece and Cyprus. The rough seabed between the two countries poses significant technical difficulties, making this a challenging project. Moreover, if tensions between Cyprus and Turkey remain unresolved, the pipeline project becomes even less feasible, as Turkey's cooperation is crucial for the successful implementation of such infrastructure. Additionally, both Israel and Cyprus lack the necessary infrastructure for natural gas exports, adding another layer of complexity. There are three realistic options for developing a gas export strategy in the region: building a pipeline, using liquefied natural gas (LNG) methods, or employing a combination of the two. However, each of these options is fraught with geopolitical, technical, commercial, safety, and political challenges, making the path forward highly uncertain (Karbuz, 2014).

Unresolved sea border disputes between Israel and Palestine, Israel and Lebanon, Israel and Egypt, and Turkey and Southern Cyprus continue to pose significant challenges. The persistence of these disputes puts the development of the region's energy resources at considerable risk, while also threatening the overall stability of the Eastern Mediterranean. The ongoing conflicts complicate already technical and geopolitical issues, making it difficult for countries to capitalize on their natural gas discoveries. The war in Syria, political and social unrest in Egypt, and the border tensions affecting Israel and Lebanon, along with the unresolved Cyprus issue, create an unstable environment that affects regional energy production, consumption, and threatens the vitality of commercial and energy infrastructures. The gas discoveries of the past decade indicate that there are potential game changers in the global and regional gas markets. The pace of research, development, and export of gas reserves, as well as the decisions taken by each country in the Levant, will reflect not only national energy policies but also broader regional political dynamics (Bonafe, 2014). Each of these decisions will carry significant weight and have lasting impacts on the future of energy in the region. If cooperation and stability are

successfully achieved in the Eastern Mediterranean, the positive regional and global effects could be profound. The establishment of peace and a functional energy infrastructure could transform the region into a stable energy hub, providing long-term benefits for the economies involved. On the other hand, failure to resolve these disputes and conflicts will have far-reaching negative consequences, not only for the countries directly involved but also for global markets and energy security. The region's potential as an energy supplier is intrinsically tied to the success of its political stability and cooperation efforts.

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