OBSERVARE
Universidade Autónoma de Lisboa

e-ISSN: 1647-7251
Vol. 15, N.º 2
November 2024-April 2025

JANUS.NET
e-journal of International Relations

ASYMMETRIC DEPENDENCE AND BARGAINING POWER IN SINO-RUSSIAN ENERGY RELATIONS

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Abstract

Considered from the realist perspective, strategic energy resources, which are among the elements of power, make cooperation possible for liberals. The concept of interdependence brings together two extreme theoretical approaches that locate strategic energy resources in different places. According to Keohane and Nye, the relations based on strategic energy resources should be considered within the scope of interdependence. In the context of the interdependence approach, Keohane and Nye explain this situation within the framework of sensitivity, vulnerability, and bargaining power. At this point, the concept of bargaining power is particularly important because the interdependence relationship based on energy has the potential to be manipulated at any time. Undoubtedly, the asymmetries between the parties are the basis of the manipulation. This also brings bargaining power to the fore. In the light of all these, the study analyses the effects of asymmetric interdependence in energy relations on bargaining power in the example of the Sino-Russian relations.

Keywords

Asymmetric Dependence, Russia, China, Energy Relations, Bargaining Power.

Resumo

Considerados na perspetiva realista, os recursos energéticos estratégicos, que se encontram entre os elementos de poder, tornam a cooperação possível para os liberais. O conceito de interdependência reúne duas abordagens teóricas extremas que situam os recursos estratégicos energéticos em lugares diferentes. Segundo Keohane e Nye, as relações baseadas nos recursos energéticos estratégicos devem ser consideradas no âmbito da interdependência. No contexto da abordagem da interdependência, Keohane e Nye explicam esta situação no quadro da sensibilidade, da vulnerabilidade e do poder de negociação. Neste ponto, o conceito de poder de negociação é particularmente importante porque a relação de interdependência baseada na energia tem o potencial de ser manipulada a qualquer momento. Sem dúvida, as assimetrias entre as partes são a base da manipulação. Este facto coloca igualmente em evidência o poder de negociação. À luz de tudo isto, o estudo analisa os efeitos

da interdependência assimétrica nas relações energéticas sobre o poder de negociação no exemplo das relações sino-russas.

Palavras-chave

Dependência Assimétrica, Rússia, China, Relações Energéticas, Poder de Negociação.

How to cite this article
Erkan, Anil Çağlar & Eminoglu, Ayça (2024). Asymmetric Dependence and Bargaining Power in Sino-Russian Energy Relations. *Janus.net, e-journal of international relations*. VOL 15 N.º 2, November 2024-April 2025, pp. 247-262. https://doi.org/10.26619/1647-7251.15.2.10.

Article received on 12 December 2023 and accepted for publication on 19 September 2024.

JANUS.NET, e-journal of International Relations
e-ISSN: 1647-7251
VOL 15 N.º 2

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Introduction

Although it is shaped within the framework of interdependence, the value attributed to the concept of power is still undisputed. It is possible to explain the effects of strategic energy resources under the conditions of interdependency in two concepts. First, energy relations directly reflect the modern form of interdependency. Second, strategic energy sources are tied to modern and traditional forms of power. In short, strategic energy sources are directly related to power's hard and soft dimensions, something like economic and bargaining power in energy diplomacy. It is possible to observe this in the asymmetries in relationship in recent periods when hard power began to be considered in the background, and other elements of power began to come to the fore. This concept of asymmetry in relationships, which can be characterized as an element of power, is that one party needs the gains in relationships more than the other. Particularly, we often observe that asymmetries turn into power elements in energy interdependence. It is the bargaining power in energy diplomacy expressed by the transformation of asymmetries into power elements within the scope of energy interdependence. Hence, energy diplomacy and bargaining power become significantly important in international relations. However, it should be discussed which side benefits from the bargaining power provided by strategic energy resources. In this context, the common belief in the literature is that the bargaining power favours actors like Russia, which possess strategic energy resource reserves. The primary objective of this study, which contests the prevailing belief, is to examine the impact of shifts in the dynamics of energy diplomacy on the bargaining power of the involved parties, specifically within the context of Sino-Russian energy relations.

The study employs a qualitative case analysis approach. To this end, both primary and secondary data have been collected using documentary research methods. Initially, a comprehensive catalogue search was conducted, primarily in university libraries, in alignment with the subject, objectives, and aims of the research. Relevant academic

[1] This study is derived from the Anıl Çağlar ERKAN's PhD thesis titled "Asymmetric Dependency and Bargaining Power: New Balances in China-Russia Energy Relations".

materials, including scientific books and peer-reviewed articles in academic databases are accessed. Additionally, key resources, such as significant academic books, available either in libraries or through publishers are also examined. Data were also sourced from like organizations specializing in energy research and think-tanks. Furthermore, relevant developments were closely monitored through state institutions' websites and news agencies, as well as through written and visual media of academic relevance to the subject matter.

The study is organized around two central research questions. The first question: "How has asymmetric interdependence in energy relations between China and Russia been shaped, and which party has benefited from this interdependence?" In addressing this question, the study explores the asymmetry in energy relations and its implications for both parties. The second research question is: "How have tensions with Europe influenced Russia's bargaining power in its energy relations with China?". This question focuses on assessing the impact of strained with Europe (also Western countries) on Russia's bargaining power on China.

The study's main hypothesis posits that "The asymmetric interdependence in energy relations between Beijing and Moscow strengthens Russia's bargaining power. However, rising tensions between Europe and Russia, coupled with China's efforts to diversify its energy sources, are progressively undermining Russia's bargaining power in this relationship." Within the framework of this hypothesis, the study seeks to analyse the influence of energy dependence on the bargaining positions of both parties, while also explores how external factors -such as further Russia's deteriorating relations with Europe especially by Annexation of Crimea- alter the bargaining power dynamics between China and Russia.

Considering all of these, our paper examines interdependency and modern types of strategic energy sources. In the first part of the study, the adequacy of the concept of interdependence in explaining the characteristics of today's energy relations is discussed, and the bargaining power created by asymmetries is emphasized. Then, the effects of bargaining power arising from asymmetries in the interdependence are analysed using the example of Sino-Russian energy relations.

Energy Interdependence and Bargaining Power

The theory of interdependence formulated by Robert O. Keohane and Joseph S. Nye is expressed in many platforms that the concept of interdependence reflects the characteristics of today's interstate energy relations (Binhack and Tichy, 2012: 54). Jeffrey D. Wilson (2021: 1) states that "Interdependence explains the characteristic features of today's modern energy systems" because energy resources are both the most basic input of modern economies and wealth that is commodified for the states that have reserves (Goure, 1995: 123). Energy interdependence is directly related to the dimensions of vulnerability and sensitivity. Vulnerability can be defined simply as the acute reaction costs or liabilities that arise when a sudden event in a country affects other stakeholders (Crescenzi, 2005: 28). It is possible to associate the sensitivity dimension with immediate costs and short-term effects since the affected country does not have time to react to an effective policy change. Relevantly, the sensitivity of importers can

be measured by the higher costs of foreign oil and the total amount or rate of oil they import (Keohane and Nye, 2012: 10). However, focusing solely on the sensitivity aspect of energy interdependence obscures a comprehensive understanding of key issues arising from shifts in the political framework, as for instance the significance of oil is not limited to the proportion of imported needs. The burden and costs of strategic moves to be made with alternatives to imported energy are also important. In this context, the sensitivity and vulnerability dimensions of energy interdependence need to be analysed together.

Sensitivity and vulnerability are extremely important in determining which side benefits from the asymmetries in energy relations because, in this way, the party that holds the power to manipulate energy relations is determined. Indeed, Keohane and Nye (2012: 10) state that asymmetric interdependence can be a source of power that provides the potential to influence others. Asymmetry at the core of the policy of interdependence, which is the basis of interdependence, has a remarkable structure, especially in political issues such as foreign policy and security policy (Neuss, 2009: 115; Nye and Welch, 2018: 418). Interdependence can create an asymmetry between states and this, in turn, serves as a source of power. Herewith, the actor in the gaining position in the asymmetrical relationship, for example, an energy exporter, will directly impact the preferences of the dependent actors. In the light of all these, it is possible to state that asymmetric interdependence appears both as a structural dynamic that shapes the balance of power in the long term and as a phenomenon that can be instrumentalized in the short term (Demiryol, 2018: 1439). However, the power that asymmetries create should not be perceived directly as hard power. The power that emerges here is the bargaining power in energy diplomacy.

The degree of importance of the relationship for one of the parties in the conditions of interdependency reveals the bargaining power of the other party because the highest degrees of vulnerability and sensitivity mean having a weakness as bargaining power in energy diplomacy. Hence, bargaining power differs according to the sensitivity and vulnerability of the parties to the relationship according to the conditions of interdependency. In this context, it can be said that the power which emerges because of the asymmetries in the relations between the two parties in the conditions of interdependency is on a political basis, and the size of this effect can be observed most clearly in the bargaining power (Wagner, 1988: 461).

Interdependence and Changing Balances in Sino-Russian Energy Relations

It is possible to consider the transformation of China-Russia energy relations into an asymmetrical one in three periods within the scope of sensitivity and fragility elements. The first of these periods was the years when the balances were in favour of Russia, the second period was the years when the balance was established, and China emerged as an element of sensitivity. The last period was when the balances started to be asymmetrical in favour of China.

Moscow's Supremacy in Bilateral Energy Relations (1999-2008)

About Russia's relative superiority over China, until the beginning of the 2000s, with the amount of oil in energy trade, Akçadağ Alagöz (2019: 58) underlines that Russia was more advantageous than that of the West and China in energy relations for a while, when Yukos started to sell 500 thousand tons of oil annually by the railroad. However, Russia became even more advantageous with the signing of a 5-year oil delivery contract between Rosneft and CNPC in 2004 for 48.4 million tons of oil to be transported by rail (Shadrina, 2016: 29). So much so that, China, which paid $14 per barrel for around 500 thousand tons of oil annually in the late 1990s, started to import 292 thousand barrels of oil per day at $72 in 2007. So, this factor put Russia in a more advantageous position over China which was experiencing external dependence at those years (Lubina, 2017: 289).

In March 2006, the parties signed a series of cooperative agreements covering joint projects in the fields of energy. Among these the most important were the agreement signed with Gazprom for the natural gas pipeline, as well as a protocol between Transneft and CNPC on the construction of the oil pipeline (Jakobson et al., 2011: 29). However, initiatives for projects, which were formalized with the preliminary protocol and memorandum of understanding signed at that time, were subject to delays due to several reasons. The delays were caused by Russian part. Russia attributed the delay of the oil pipeline project to the concerns that there may be price disputes regarding natural gas appear as one of the important factors. Considered in the context of Russia's pricing policy, the ongoing negotiations between the parties regarding the purchase of natural gas stalled because in 2007, the CNPC offered Gazprom a figure well below 60 percent of the unit price of gas sold to Europe. So much so that the figure suggested by the CNPC for the natural gas that Gazprom sold to Europe at 13-14 dollars per unit in 2007 was $5.28, and such a demand was undoubtedly not accepted by Moscow (Downs, 2010: 156). It is evident that Russia's dominance during this period granted it significant bargaining power in the field of energy diplomacy.

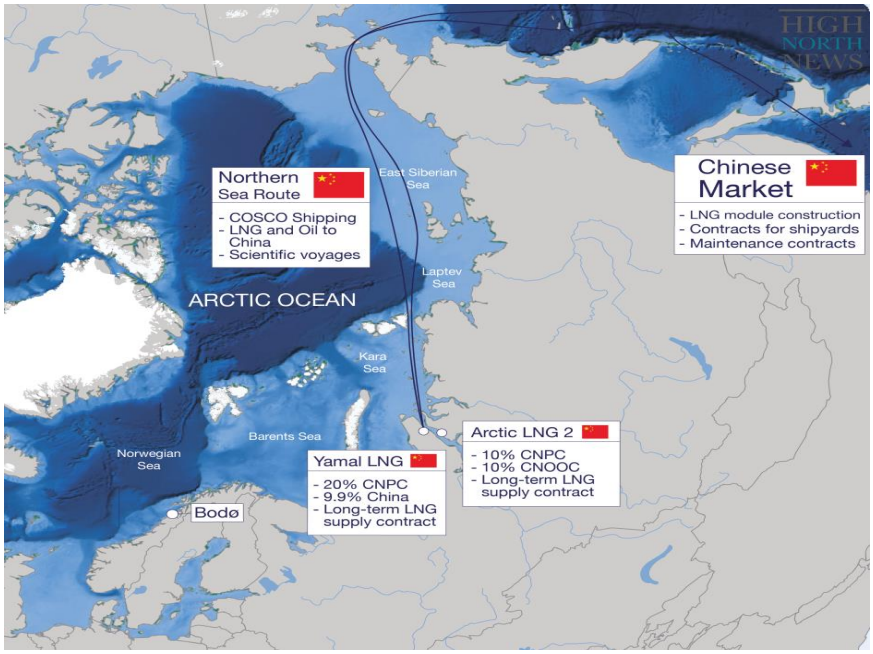
Sensitivity and Its Impact on Bilateral Energy Relations (2008-2013)

During this period, Russia's sensitivities increased, and bilateral relations were affected. In this direction, 2008 was an important turning point in bilateral relations. From this year Russia started to see the Asian market as an opportunity and included in its energy strategy to direct 20-25 percent of its total energy exports to this region until 2030. This was largely due to Russia's emergence from military conflict and the fact that it had suffered great losses from the economic crisis. These losses for Russia are as serious as the lack of capital required for a pipeline project to the east (Røseth, 2017: 36). So much so that the problem in those years was serious enough to limit Russia's capabilities. The solution to the problem came with the signing of the oil loan agreement in February 2009, which was one of the most important tools of China's energy security policies. With the signed agreement, Rosneft and Transneft, which received $25 billion loan from the China Development Bank, committed to exporting 15 million tons of oil to China annually for 20 years, starting in 2011, starting pipeline works, and cooperating with CNPC on the development of oil fields. This development is extremely important in terms of the

balance between the parties. So much so that, from this date on, China's bargaining power in bilateral relations began to increase compared to previous periods.

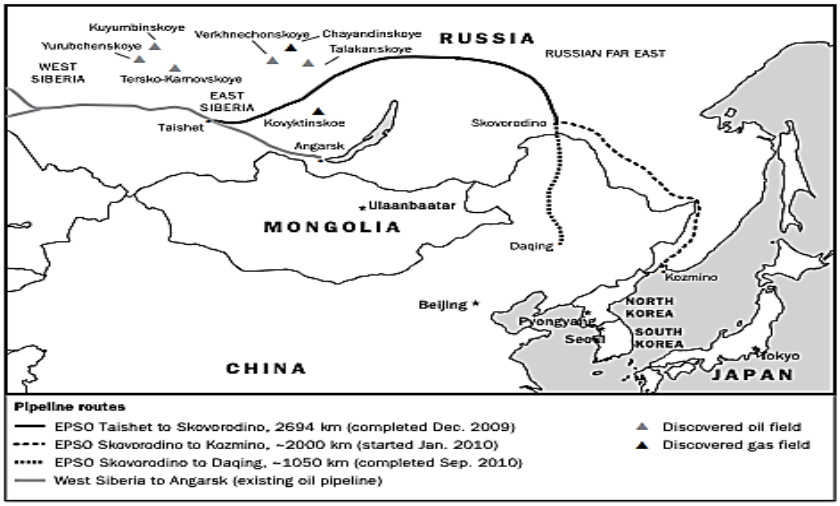
Another indicator that China's bargaining power begun to increase is the developments in the field of natural gas. In this regard, Russia's increasing sensitivity since 2008 has paved the way for the inclusion of natural gas in bilateral relations. However, this issue, which had a lower level of cooperation in energy relations compared to oil, was not a new phenomenon. It is known that the negotiating about natural gas projects since the mid-1990s. At that time, a series of feasibility studies ranging from Chayanda field to Shenyang and another from Kovykta deposits to Heilongjiang province to the Korean Peninsula are the indicators of this. By 2006, CNPC and Gazprom even reached an agreement on the Altai Pipeline and the Eastern Line Projects from Sakhalin to the north. However, the projects remained on paper until 2011 (Jakobson et al., 2011: 34). In this context, we can say that Russia is more effective in bargaining power over China in terms of natural gas compared to oil. The main reason for this is that Russia's influence in the European natural gas market continued in those years. In contrast, there were some developments that show China's bargaining power started to increase, albeit partially just like initiatives towards the Russian LNG sector agreements were signed between Novatek and CNPC for Yamal-LNG in this context. Within the scope of this agreement, 20 percent of the Yamal-LNG was transferred to CNPC, and the parties agreed to deliver 3 million tons of LNG (Kaczmarski, 2016: 6).

Figure 1. Select Chinese Investments in the Arctic and Other Economic Involvements



Source: (Humpert, 2023).

Figure 2. ESPO Pipeline



Source: (Jakobson *et al*., 2011: 29).

The eruption of Russian-Western tension in 2014, which had serious consequences in the following years, has significantly affected the course of bilateral relations. So much so that, although there had been progress, such as Gazprom and CNPC shelving the Altai Project at the beginning of 2012 to focus on the eastern route, the stalled negotiations were concluded just two years later during Putin's visit to Shanghai. So, Gazprom and CNPC agreed on the construction of the natural gas pipeline, which they call the "Power of Siberia" (POS), and signed the contract text of a mega project worth 400 billion, covering 30 years, for the transfer of 38 billion cubic meters of natural gas per year (Kaczmarski, 2016: 6).

POS agreement which had very important effects constituted another milestone in bilateral energy relations. For example, anymore China created an opportunity to diversify its import portfolio and transportation routes, while at the same time, it found the opportunity to reduce the tensions with Moscow due to the natural gas imported from Central Asia. However, the validity of the same positive effect for Russia is questionable. Briefly the balance sheet was slightly more complicated for Moscow. Firstly, the combination of the external dynamics and the physical structure of the project complicated the issue for Moscow. The complexity in question will be more understandable when the international sanctions that negatively affect Russia's sensitivities and the vulnerabilities caused by the eastern line are directed only towards China, unlike ESPO. However, the first impression is that China-Russia energy relations will become asymmetrical in the new period as Beijing desires because Russia, which compensates for the sensitivity caused by its dependence on energy exports to the West with the Chinese alternative, is highly likely to reveal vulnerabilities directly in the possible future situations. Overland and Kubayeva's (2018: 96) statements, "After Crimea, Russia had to face international sanctions and a drop in oil price. The combination of low oil prices and commissions has undoubtedly left Russia economically and politically vulnerable. However, it is inevitable that Russia, whose vulnerability has become more

evident, will potentially become dependent on China, its largest non-Western trade partner", support this idea.

Bilateral Energy Relations in The Light of Sanctions (2014-2020)

Sanctions are an important turning point in Sino-Russian energy relations and herald a new era. The main feature of this new era, from that day on, is China's changing position in energy relations with Russia. To put it more clearly, the Chinese card is no longer a choice among Moscow's options to reduce its sensitivities, but it has become one of the only or limited moves it has left. Briefly, the Ukrainian Crisis has deprived Russian policymakers of approachable alternatives outside Beijing. In this context, Russia's China policy has been no longer a compromise with an important neighbour, such as the development of interdependence, because Beijing is no longer a choice between options; instead, it is Moscow's only viable option. In short, Russia, which has significantly exceeded the point of controlling and changing the new dynamic, has accepted to become more dependent on China over time, as it does not see any other reliable alternative on this path (Charap et al., 2017: 26). In this context, it is possible to state that the Beijing-Moscow rapprochement is the beginning of the period of increasing dependence on China and asymmetric energy relations rather than success. The fact that Russia, which is very vulnerable to strategic shocks such as large price fluctuations due to its excessive dependence on energy exports, faced the decline in world oil prices since June 2014 with the sanctions has been decisive in the direction of the course in this new period (Skalamera, 2019: 76).

After the POS agreement signed between the parties in 2014 and the memorandum about the Altai Project, important developments have occurred. For instance, the fall in global oil prices, the collapse in the Ruble, the slowdown in China's economy, and the sanctions that continue to squeeze Russia are among the most important developments. In addition to these external geopolitical and economic factors, the changes in the internal dynamics of both countries made the implementation of the mentioned agreements and the healthy execution of the activities a more complex and difficult process (Oh, 2016: 1-2). The decrease in China's economic growth trend rate is also an important factor in this context. Such an environment, declarations of four of China's leading banks that they complied with the sanctions of the West, Moscow faced with the threat of vulnerability (Akçadağ Alagöz, 2019: 67-68).

Expecting the support from China in its challenge to the West, Russia relied on new Beijing-backed loans and investments to reduce the influence of Western financial markets. However, with the statements made by Chinese banks, Moscow's hopes turned into disappointment. Namely, Russia was left alone with the danger of vulnerability. The fact that Beijing preferred to wait until favourable conditions were presented in the face of the fall in global oil prices and Moscow's situation with the severe restriction of the access of Russian enterprises to the West's credit finance is one of the indicators of the danger of vulnerability. The first of these favourable conditions is the purchase of Russian natural gas at lower prices. After the fall in Russian natural gas prices in 2015, China's announcement that it would give a loan to Gazprom confirms the statements regarding the favourable conditions Beijing expected to be presented. In other words, Beijing's

response to the decline in Russian natural gas prices in 2015 was in the form of a 2.2-billion-dollar loan to Gazprom by the Bank of China in March 2016 (Malle, 2017: 140). Despite the negative picture in investments, China's natural gas imports from Russia reached 237 million cubic meters in 2017, increasing by 14 percent compared to the previous year (Akçadağ Alagöz, 2019: 68).

Asymmetric Dependency and Bargaining Power in Bilateral Energy Relations

Russia's bargaining power in energy diplomacy seriously changed in sanctions period. The strengthening of the perception of asymmetry in relations explains the fact that Russia, whose options have decreased after the sanctions, has made concessions at the bargaining table and that the energy diplomacy activities have progressed rapidly in the last few years (Yılmaz and Daksueva, 2017: 14). Despite the risk of losing the natural gas market until the Ukraine crisis in 2014, Moscow, which ignored Beijing's cooperation demands for a long time, accelerated the negotiations after the sanctions and concluded the price agreement in a way that would make concessions to China (Xu and Reisinger, 2019: 8). Related to this, Skalamera (2014: 27) states that "Western sanctions against Russia in the gas deal have increased both China's negotiating position and the possibility of a deal, as Moscow is increasingly desperate for alternatives to gas markets outside of Europe".

Price Debate and Beijing's Bargaining Power

The price dispute, which caused the interruption of energy relations between the parties, was due to the differences in the approaches of the parties. Moscow insisted on the fact that prices must be the same as the European market and for Beijing. In response, China suggests that related to coal-related prices, but Russia did not offer this, and this caused the negotiations to stall (Liu and Xu, 2021: 5). The stagnation period continued until 2006. Afterward, there were shifts in relations, but they did not last in the long term and did not come to fruition since Russia demanded 300 dollars per 1000 cubic meters of natural gas in 2007, and China insisted on only 180 dollars. In 2010, Russia did not change the prices demanded, and China's insistence on paying only 200 dollars led to the elimination of obstacles in the negotiations. Although significant progress was made in the relations between the parties in 2011, only the numbers changed in the context of natural gas, but the result was still the same. So much so that after the Presidential Summit between Medvedev-Jintao in June 2011, China revised its offer to 235-250 dollars, but Gazprom also increased its demand to 350 dollars (Liu and Hu, 2021: 5). Since the difference between the parties in 2011 was more than 100 dollars per 1000 cubic meters, as Russia offered 280 dollars to Russia's $380 demand two years later, it is possible to state that by 2013 they were still far from each other for reconciliation (Liu and Hu, 2021: 5). However, the protests that started on 21 November 2013 turned into a global crisis in 2014 and brought along some developments. Undoubtedly, China's ability to seize its bargaining power in the long-running negotiations with Russia is one of the most important developments. In a way, this means that the "energy superpower",

which adopted the foreign energy policy understanding at that time, lost to Beijing the bargaining power it had held in energy diplomacy for a long time.

With the sanctions, the loss of influence on Russia's energy diplomacy became more evident. For example, 20-21 May 2014 events. So much so that the spokesperson of CNPC at that time, one of the parties that came together in the negotiations on natural gas projects stated on May 20, 2014, that "it still seems very difficult to agree to these conditions." Yet, on 21 May 2014, at 04:00, less than twenty-four hours later, the contract was signed. It is possible to interpret the signing of the contract as the fact that China has begun to gain an advantage over Russia, although the details were not fully disclosed. In addition, the consensus estimates regarding the prices, which were initially described as trade secrets, and the data obtained in the following period support the fact that China has started to gain the advantage. So much so that the natural gas procured from the POS would be among the cheapest supply options in the northeast market. In this respect, according to January 2020 data, the customs declaration price for POS gas was 1.44 Yuan/m^3. It is obvious that the declared price in question is lower than that of in Turkmenistan (1.72 Yuan), Uzbekistan (1.54 Yuan), Kazakhstan (1.47 Yuan), and Myanmar (2.37 Yuan) (Liu and Hu, 2021: 7).

Route Issue and Altai Pipeline Project

It is an extremely limited approach to consider the agreement signed in May 2014, only in the context of solving the price problem. In this context, it is necessary to mention other arguments supporting the loss of influence on Moscow's energy diplomacy against Beijing because the agreement in May 2014 included the determination of the first transmission pipeline route that would provide the natural gas flow between the parties and solve the price problem. Therefore, another important obstacle faced by the negotiations between China and Russia was the differences of opinion on the route of the pipeline. So much so that it was mentioned many times in the negotiations that Russia preferred the western route and China the eastern route (Shadrina, 2014: 65). However, insisting on the western route, Moscow agreed to prioritize the eastern route during the Ukraine Crisis. Therefore, the POS planned for the eastern route was put into practice instead of the Altai Project planned for the western route. Briefly, the parties, who were willing to build two lines at first, turned into differences of opinion after a while, especially after China's economic rise and Russia's power in energy diplomacy based on energy resources, and this situation continued until 21 May 2014.

Figure 3. Proposed Route of Power of Siberia-2.

Source (Jayaprakash, 2024).

Since it was no longer possible for Russia to maintain its past stance, the pressures it tried to apply were no longer having the expected effect on Beijing. So much so that the CNPC, which met with Gazprom at the beginning of 2012, firmly rejected the Altai project in the negotiations, giving clues about the sustainability, impact, and subsequent developments in Russia's attitude (Kaczmarski, 2016: 6). Also, subsequent developments, such as Putin's visit to Shanghai in May 2014 and the decision to shelve the western line, were also indicators of that. However, the loss of influence on Russia's energy diplomacy against China was not limited to shelving the project or cancelling it according to some experts. First, it is possible to say that it was not possible to cancel such an important project by Russia. However, it is worth emphasizing that no significant progress was made. So much so that when considered as the Altai Pipeline, the most important step taken recently regarding the project was signing a memorandum of understanding regarding the project in 2015. What makes the memorandum of understanding signed in 2015 important is beyond the developments related to the project. As it is known, this project, which is very important for Russia, is still being revised in the light of China's different demands and comes to the fore from time to time. Even at the point reached as of 2020, Russia has revised its western route as "POS 2". As can be seen at this stage, Russia continues to make concessions against China. For example, within the scope of POS 2, Russia attempted to pave the way for a new western route through the Altai mountains, which it had previously postponed by citing environmental factors within the scope of sending natural gas from the northeast of China to the Beijing-Tianjin-Hebei metropolitan area in the north and the Yangtze delta in the east. Nowadays since Beijing has multiple sources to buy natural gas, it has become a buyer's market, which is why the negotiations are largely asymmetrical. President Putin's visit to Beijing in May this year and Chinese Prime Minister Li Qiang's visit to Moscow in August have not yielded any agreements on POS 2 (Jayaprakash, 2024). Since 2023, the

development of the POS 2 has advanced but remains in the design phase. Deputy Prime Minister Alexander Novak stated that the final route is near completion, with construction expected to begin in 2024 and operations projected to start by 2030 (World Pipelines, 2023; OSW Centre for Eastern Studies, 2023). Nevertheless, despite Russia's eagerness to strengthen energy ties with China, there are significant uncertainities regarding the project. Some factors, coupled with China's cautious approach to energy partnerships, suggest that finalizing agreements on the Power of Siberia 2 pipeline will possibly take time (OSW Centre for Eastern Studies, 2023).

Conclusion

One of the closest examples where the effect of the power created by the asymmetries in the energy interdependence on the negotiations in energy diplomacy is observed is the China-Russia relations. What makes the China-Russia energy relations important is the asymmetries and the changes in the balance in the interdependence relationship. In connection with this, it is possible to state that although China-Russia energy relations have been shaped within the framework of interdependence in the historical process, significant changes have occurred in the direction of the balance. These changes become more understandable when the interactions between the parties are considered in three periods. For example, it is seen that there was an advantageous situation in favour of Russia in the first period of relations, which began in the 1900s. While this situation continued until the first eight years of the 21st century, it is witnessed that the interactions between the parties entered a period of relative equilibrium, especially after 2009, and that China began to take place among the options as an alternative for Russia. However, this balance-relative equilibrium situation in energy relations did not last long and since 2013, the relationship of interdependence has entered the process of transforming into an asymmetrical state in favour of China. The development that started such an important transformation process in relations is the echo of the Ukrainian crisis in the international arena. The reactions of the international public, especially the Western states, against Russia are undoubtedly the result of the repercussions. In this process, the sanctions imposed by the Western states have special importance because beyond the reactions of the international public, the process that started the structural change and transformation of the China-Russia energy relations is the sanctions put into practice. Therefore, this move of Moscow, while confronting us as a loss of bargaining power in energy diplomacy, heralds a new process in which Russia-China energy relations have become asymmetrical in favour of Beijing.

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