The dangers of the safe route ; Caucasian pipelines

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How conflicts in the Caucasus affect Western oil

Georgia’s pipelines to the West weren’t bombed but they remain vulnerable

IT?S not just the Russian-Georgian conflict that has made August such a rotten month for the West?s favourite oil pipeline. On August 5th a pumping station on the 1,100-mile (1,760km) Baku-Tbilisi-Ceyhan (BTC) pipeline in eastern Turkey was set ablaze. The PKK Kurdish separatists claimed responsibility. The entire route, which had been carrying 850,000 barrels of Caspian crude oil a day to Western markets, shut down and world oil prices, which had been falling, nudged up again. BP, which spent $4 billion on BTC and still manages it, put a brave face on things, saying that the disruption would be temporary. But the station was still burning when Georgia and Russia went to war two days later.

The company?s other oil pipeline, Baku-Supsa, carrying crude to Georgia?s Black Sea coast (now blockaded by Russian warships), had only recently re-opened but was also forced to shut down. On August 12th, even as the conflict was fading, BP stopped putting gas into the Baku-Erzurum gas pipeline. The only pipeline from Azerbaijan that was fully operational this week is the one running through Russian soil to the port of Novorossiisk.

For the past decade Georgia has been championed as a reliable country through which new pipelines, safely controlled by Western companies, could bypass both Russia and Iran. On the face of it, the past week has made a mockery of that claim. But not completely. Georgia will point out that its energy infrastructure survived the war unscathed: no pipeline was bombed. Russia, mindful of the need for good relations with Azerbaijan and Turkey, has been careful to point out that this was not an oil war.

Yet the crisis'including the dangerously unresolved dispute between Armenia and Azerbaijan over Karabakh'raises wider issues. South Caucasus is supposed to be the location for the next generation of so-called "fourth corridor" projects, by means of which Western strategists dream of ending Europe?s dependence on Russian gas and getting Caspian gas to European markets.

The jewel in this scheme, the Nabucco pipeline'designed to ship Caspian gas to Europe in 2013'is already in trouble for lack of unequivocal European support, a rival Russian scheme called South Stream and the fact that there is no major Western energy company based upstream in Turkmenistan to lobby for the deal. One of the first foreign-policy initiatives by Russia?s president, Dmitry Medvedev, was to court Azerbaijani and Turkmen leaders in order to persuade them to sell their gas to his country. With an eye on events in Georgia, they must now decide how to respond to his friendly advice.