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GAZPROM: CREATING A POSITIVE SELF-IMAGE

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Summary

Gazprom, one of the world's largest natural gas producers and exporters, uses many outlets to create and promote a positive image for itself both on the domestic and international arena. This paper analyzes three such outlets: first, the company's website; second, an interview conducted domestically by the state news agency "Vesti" with Alexei Miller, Gazprom's Deputy Chairman of the Board of Directors; and third, an interview conducted by the European independent source "Natural Gas Europe" with Sergey Komlev, the Head of Contract Structuring and Pricing Directorate at Gazprom Export. These three outlets are directed at different audiences and thus vary in their content and nature. In this article, the author identifies the targeted audience of each outlet, demonstrates the tools used by the company to create a positive self-image, and presents a critique of the content for each.

Keywords: Gazprom, portrayal, promotion, self-image, interview, analysis, discourse, appeal, dominance, European Market.

Gazprom, one of the largest natural gas producers and exporters in the world, uses many media outlets to create and promote a positive image for itself both on the domestic and international arena. This chapter analyses three such media outlets, namely: the company's website; an interview conducted domestically by the state news agency "Vesti" with Alexei Miller, Gazprom's Deputy Chairman of the Board of Directors; and an interview conducted by the European independent source "Natural Gas Europe" with Sergey Komlev, the Head of Contract Structuring and Pricing Directorate at Gazprom Export.

The first media outlet, Gazprom's website, is the easiest one to analyze, since it is a pure

self-portrayal by the company without outside intervention. This outlet is different, because unlike the other two media outlets, it is targeting different audiences at the same time. Let's take a look at what kind of audience might the company target and why.

Targeted Audience

Natural resources altogether are very important for the overall wellbeing of Russia; they comprise a large share of Russian GDP and the Russian state budget. In 2004 export revenues of oil and gas amounted to about 25% of GDP and about 40% of the Russian state budget; in 2011, those figures amounted to 10.4% and 50% respectively (Ericson, 2012). So the success of Gazprom is not only important for the company, it is also very important for the Russian economy. Consequently, it might be important for the creators of the web-site to appeal to *the Russian general public* and to show the importance of the company's operations for the national economy; so that the public would support certain privileges that the company may hold, such as a gas export monopoly and certain tax breaks, for example, customs duty (ECD) and mineral extraction tax (MET) breaks (Hines & Marchenko, 2013 June 3).

Gazprom is the biggest natural gas company in Russia in gas exploration and deliveries. In addition, Gazprom owns all of the pipelines and pumping stations in Russia, and it is given the exclusive right to use pipelines for the export of natural gas abroad (Anderson, 2008). The European energy market is by far the most important for Gazprom, because the prices of gas in Europe are roughly four times the prices of gas on the domestic market, and with respect to volume, equaling roughly one third of Russian domestic consumption, bringing the biggest part of revenue for the exporting giant (Pirani, 2013). Thus, it is natural for the company to appeal to *the European consumer* – the European general public, industry sector and electricity-generation sector – in order to convince them that, first, natural gas is the best choice of preference as an energy source; and, second, that Gazprom should be the best choice of world suppliers. So as a consequence, European consumers would continue to purchase Russian gas from Gazprom.

Another fact worth mentioning is that the current gas fields of Gazprom are being gradually depleted and there is the need for the company to develop new fields along with the new Liquefied Natural Gas (LNG) projects^[1]. To implement some of the LNG projects and to develop new fields, the Russian export giant needs the help of foreign partners in technologies and in funding those projects (Kardaś, 2013 January 16). That is why Gazprom is very likely to appeal to *the foreign investors* on its web-site. It is hard to obtain cooperation with foreign partners in these expensive projects however, because Russia is perceived as a risky place in which to invest. This perception exists due to the amendments made to the Russian hydrocarbon legislation^[2], which create favorable conditions for state-owned gas companies, such as Gazprom (Boussena & Locatelli, 2012). Thus, the creators of the Gazprom web-site have incentives to exaggerate the company's value and to avoid mentioning the risk associated with investment in the company, while appealing to foreign investors.

First Media Outlet Analysis: Gazprom's Website

Before this section of the paper goes into comprehensive analysis, it is important to mention that Gazprom's website has an option to be viewed in three different languages with three different web addresses: in Russian at <http://www.gazprom.ru/>, in English at <http://www.gazprom.com/> and German at <http://www.gazprom.de/>. While Russian and English web pages have almost the same

outline, imagery and content, except for only few minor differences; German page has somewhat different outline and very different imagery and content. A visitor to these three web pages can see the contrast between the imagery and content right away. While Russian and English web pages display green landscape with pink flowers in the forefront and blue skies and mountains in the background, notifying the visitor that the South Stream project has been started in Bulgaria; the German web page portrays the Berlin Brandenburg gate with “Energie” written across it. Additionally, instead of the information on the stock prices and the news feed right below the image, as in the Russian and English versions of the page; German version displays the fact that Gazprom has been on the German market for forty years. To the left of that message, there is a video outlining the significance of Gazprom on the German market. Further down the page an image of two players from German football team “FC Schalke 04” is displayed with a message notifying the visitor that the team has been sponsored by Gazprom since 2007 (Gazprom, 2013. b).

Farther differences are seen, if a visitor decides to compare “Geschichte” and “History” links of German and English web pages found in sections “Gazprom im Überblick” and “About Gazprom” respectively. While English (as well as the Russian) version shows the detailed history of the company since its “birth”, that is restructuring from the USSR Gas Industry Ministry in 1989; the German version shows the events relevant mostly to the Russian-German cooperation in gas industry, starting in 1969 – before Gazprom was even formed. Germany is the largest export market for the company, thus it is not surprising to see Gazprom designating an entirely separate page for German consumers in a hope to improve and strengthen this partnership even further in the following years: “*In diesen Jahren sind wir zu weit aus mehr als nur zu zuverlässigen Geschäftspartnern geworden. Wir sind gute Freunde geworden. Und diese Freundschaft wird mit den Jahren nur noch starker.*” (“In these years, we have become far more than just reliable business partners. We have become good friends. And this friendship only gets stronger with the years.”) (Gazprom, 2013. d, par. 4).

Although, German web page is designed to target mostly German customers; both English and Russian web pages target a wide variety of audience. That could be due to the fact that regular German citizen would be less likely to access the Russian or the English web pages instead of the German one; while foreign investors, including German, would be more likely to visit either Russian or English web pages, since Russian is the native language of the company and its employees, and English is an international language well suited for business purposes. Because this paper is looking at company’s gas exports to the whole Europe and because an average *European customer* or *foreign investor* is more likely to access the English page; this paper analyzes English version of the company’s web site. Besides, even though *the Russian general public* would be more likely to visit the Russian web page, it is very similar to the English version; and so English version fits well for our purposes.

The overall layout of the main page is done in a very professional manner; it upholds the image of the company as a credible institution with an answer to any question, to any visitor – be it *the Russian general public*, *European consumer*, or *foreign investor*. The page is user-friendly, since it is very easy to find any topic of interest, interactive and “positive”, with the picture of Alexey Miller, the head of the company, smiling on the side of the page. There are several aspects of positive image that the company is trying to create on its website. First, an image of *the environmental stewardship* of the company, commitment to production that is clean and safe for the environment. This commitment is shown both directly and indirectly. Most pictures taken in Russia or abroad have one piece or another of nature in it, showing environmental commitment indirectly: blooming trees, green grass, tall mountains, clear shiny water, white snow or clear blue skies.

Gazprom represents its commitment to environmental stewardship directly on a separate page named “Environment”. That separate page highlights water, land, atmosphere protection and waste reduction.

The second positive image that Gazprom is trying to create on its web site is *social consciousness*. The site’s news feeds announce support of various sports, social projects, cultural events and education developments in Russia. Creators of Gazprom’s website demonstrate directly its commitment to the community on the page called “Social Responsibility”. This page is meant to show that Gazprom helps not only the Russian economy as a whole, but also individual communities and its people.

The third positive image that is shown on the web page is *progress*. This image is represented in the establishment of important international connections, development of new technologies and cooperation with the Russian government. Even though the Russian government holds most of the company’s shares (Anderson, 2008), news articles treat the relationships between the two entities as cooperation, rather than hierarchy. The editors of the article “Russian President Vladimir Putin entrusts Gazprom with getting back to Yamal-Europe-2 and gas branch to Kaliningrad Region project” (Gazprom, 2013. a) use the word *entrusts* rather than *commands* or *orders*, symbolizing not only cooperation, but also mutual *trust*. If the Russian president has trust in the company, Russian people should too.

The page “About Gazprom” is the company’s self-evaluation, treating itself as a person in this short narrative^[3]. The first sentence can be viewed as an abstract: “Gazprom pursues the strategic objective of establishing itself as a leader among global energy companies” (Gazprom, 2013. c, par. 1). It offers an evaluation for the rest of the narrative: Gazprom wants to be a leader among global energy companies. In this section, the company is trying to appeal to the *European customers* and *foreign investors*.

The subsequent two paragraphs define what kind of company Gazprom is, that is, what it does, and what its mission is. The picture on this page signals environmental stewardship as a part of its mission through the portrayal of the Gazprom headquarters in Moscow on the background of blue sky with white clouds and a green pine tree in front of it, similar to other images described earlier.

The entity is using such adjectives as *reliable*, *efficient*, and *balanced* to describe its supply. Gazprom says that it views its mission in *reliable* supply, it does not specifically state that its supply is reliable; so it acknowledges that it might not have been as reliable in the past, as with the supply disruptions in 2009 during the price conflict with Ukraine, but that its priority is to make it reliable – that is why it is building Nord Stream and South Stream. Gazprom also acknowledges that its supply might not have been *efficient* or *balanced*, but that its mission is to make it such through introduction of new technologies and through the start of new LNG projects respectfully; but to do that the company needs new investors. Gazprom also emphasizes the word *global* to appeal to foreign readers and investors:

Gazprom is a global energy company. Its major business lines are geological exploration, production, transportation, storage, processing and sales of gas, gas condensate and oil, as well as generation and marketing of heat and electric power.

Gazprom views its mission in reliable, efficient and balanced supply of natural gas, other energy resources and their derivatives to consumers (Gazprom, 2013. c, par. 2).

In the next four following paragraphs Gazprom establishes itself as a national, as well as a world leader of natural gas in production and exploration; it also establishes itself as the wealthiest natural gas reserves holder. Then the entity goes on to define itself again as a *reliable* supplier of gas to both Russia and abroad. Next, it defines itself as *the only* producer and exporter of LNG in

Russia; it omits to say that its development of new LNG projects has been dramatically slowed down, especially in Shtokman, due to the lack of foreign investments (Ericson, 2012).

Next, Gazprom acknowledges that it is not first in the country in oil production, but it still defines itself as being in the top five – still being among the leaders. Gazprom also mentions that it is the biggest owner of the power generating assets in Russia. This time the number is different – 17% of total installed capacity of the Russian energy system, compared to 70% of Russian gas reserves or 78% of Russian gas output. What can be read between the lines here, and what is not explicitly stated in the text, is that Gazprom faces strong domestic competition in the power generating area with the strong possibility of other domestic firms surpassing Gazprom in power generating in the near future (Gazprom, 2013. c).

The narrative is concluded with the coda by summarizing everything that was said previously: “Gazprom pursues the strategic objective of establishing itself as a leader among global energy companies by entering new markets, diversifying its activities and ensuring reliable supplies” (Gazprom, 2013. c, par. 7).

On its website, Gazprom is trying to appeal to the Russian general public; it is also trying to attract foreign investors and European customers through its portrayal as a reliable supplier and a leader in the production of natural gas, LNG and oil. Certain content in the text on the web-site is omitted as to slightly exaggerate self-image and signal to the European, as well as domestic customers that Gazprom should be indeed the supplier of their choice. The company is also trying to appeal to both the European and domestic public as a beneficent, socially conscious partner, who cares about the environment and is essential for the Russian economy.

Second Media Outlet Analysis: Interview with Alexei Miller^[4]

The Moscow-based “Vesti” news report that features an interview with the head of Gazprom, Alexei Miller, starts off with an introduction. In the introduction, the reporter informs the viewers about the topic of the interview: natural gas being transported to Ukraine not as traditionally expected – westwards from Russia through Gazprom, but instead – eastwards from the gas hubs in Europe (Vesti, 2013, March 30). The first thing that attracts attention in this introduction is the way the news reporter names the topic for the interview: “*Ukrainian illness/scab (Украинская болячка)* in the Russian-European oil-gas relations”. There are two important implications of this report’s nickname. First, it assumes familiarity of the viewer with the previous issues in the oil-gas relations between Russia and Ukraine. And second, because that nickname is presented to viewers within the first ten seconds of the report, it sets up the attitude towards the rest of the news report – Ukraine being a sore place on the Russian-European oil-gas relations that needs to be cured.

Overall, it sounds like the interview has been shaped to cover two main points: first, whether Ukraine is on its way towards independence from Russian natural gas; and second, whether alternative gas suppliers to Europe pose genuine competition to Gazprom. Although the interview has been shaped to cover these two main questions, the interview has not been staged. Both Alexei Miller and the interviewer seem to have a natural conversation float rather than reading previously written speeches; this can be inferred by rephrasing, numerous pauses and a couple of overlaps. But at the same time, it is possible to tell that the interviewer has certain guidelines to follow. Firstly, there are no controversial questions: the Chair of Gazprom has all of the answers for the interviewer’s questions that show the company in a very positive and powerful way. Secondly, Alexei Miller seems to follow the topic of the discussion without any deviations. The fact that Mr. Miller does not avoid answering any of the interviewer’s questions symbolizes his sincerity and

openness, which is supposed to create trust between himself and the viewer. And since he is the head of Gazprom and speaks of the company and for the company, using such pronouns as *мы* (*we*), *нас* (*us*), *наш* (*our*), *нам* (*to us*), his openness is also supposed to create trust between the viewer and the company as well.

At the same time, it is possible to tell that the interview has been edited and some of the contents of the interview have been removed. Some of removed parts could have been irrelevant to the topic, or the company simply did not like its content. For example, when Alexei Miller is talking about the fraudulent scheme set up on the Ukrainian border to make it seem like the gas is coming from the west, and after he suggests that there is a need to deal with such scheme, the footage is cut to the next question of the interviewer. A.B. Miller could have evaluated more on the ways to deal with such schemes, or brought more evidence of such schemes to the picture, it does not really matter what was said. What matters is that the message of “dealing” with those schemes became more powerful, as it became the last words of his thought after the editing.

Even though there are no controversial questions directed towards the head of the company, the interviewer tries to create an illusion of such questions, when he proposes “*a little conspiracy theory*” (“*небольшую теорию заговора*”) (Vesti, 2013, March 30). And that “conspiracy theory”, instead of uncovering or revealing a negative part of the company turns out to do the complete opposite – show Gazprom in a positive light. The question that the interviewer asks is whether *Gazprom/Miller* (addressed as *вы*) has persuaded Qatar to redirect its gas exports from Europe to Asia, “*where the gas prices are higher*” (*где цены выше*) (Vesti, 2013, March 30). What this question does, even though it poses as a controversial question, it allows the audience to assume that Gazprom indeed could persuade Qatari gas exporters to redirect their exports from Europe just because it is in the Russian interests. Alexei Miller answers that the company did no persuasion and that it is rather “*pure market logic behavior*” (*чисто рыночная логика поведения*) (Vesti, 2013, March 30). What this answer does is say that there is no need for Gazprom/Miller to do such persuasion, because it is already in Qatari gas exporters’ interest to redirect its gas exports, simply because it yields higher returns. What can be inferred between the lines here is that Gazprom does not act as a dictator^[5], but plays by the rules of the “invisible hand^[6]” of the market to achieve efficient outcome.

Another interesting thing about the interview is that the interviewer seems inferior to the head of Gazprom, even though the interviewer is the one leading the discussion. Instead, he asks A. Miller just the basic noncontroversial questions, he lets Miller talk the most and interrupts him only once to clarify what he means. By the end of the interview he gives Alexei Miller a compliment: “*Мимо вас не пройдёшь, похоже*”, which means: *one cannot go past you unnoticed, or so it seems* (Vesti, 2013, March 30). At large, the interviewer switches his role to be both the interviewer and the spectator in order to relate more to the *Russian general public*, and therefore to make the conversation with the head of Gazprom closer to the public. That is why the interviewer’s name is never mentioned throughout the whole interview. Perhaps for the same reason, the interviewer uses the colloquial word *скукоживаться*^[7], which means *to shrink* in relation to the gas supply to Ukraine from the west – to relate more to the general public, and to transfer its attitude toward Ukraine to the spectators.

Now that the stage is set, the message can be analyzed. First, the question of whether Ukraine is on its way towards independence from Russian natural gas. The very first thing that the interviewer asks is not whether the news of the reverse supply is *true*, instead he asks, whether the talk about it is *realistic*. By *realistic*, the interviewer does not mean the actual possibility that there is talk about it, but the possibility that the talk is true. Thus, the interviewer does not ask whether the

news is true, but instead whether the news could be true. The message of the question is straight to the point – there can be no discussion about the existence of the reverse supply from the west. And so, even though Alexei Miller does not have the facts to prove his theory, the viewer is predisposed to take Miller's answer as a legitimate fact following the interviewer's question. Furthermore, Miller refers to the possibility of the reverse supply as to the “*fraudulent schemes*” («мошеннические схемы») and he adds that “*there is a need ... to deal with them*” («с ними надо ... разбираться») (Vesti, 2013, March 30). This message predisposes the viewer to the idea of the legitimacy of the actions undertaken towards Ukraine in the past, such as shutting off the gas supply to Ukraine and subsequently to the rest of Europe in 2009; and it legitimizes Gazprom's plan to build new pipelines to avoid Ukraine altogether, while supplying gas to Europe^[8].

The second question discussed in the interview is whether alternative gas suppliers to Europe pose genuine competition to Gazprom. This is not a question directly asked by the interviewer, but the issue that directly relates to the whole video. The actual question asks whether the American shale gas revolution affects Gazprom's strategy of supply to Europe, whether the United States brings additional competition to the company on the European Market. Miller's answer is “no”. He says that he is very skeptical about the United States being able to export its gas, because the country uses more gas than it extracts. He further argues that the US is not a competitor to Gazprom, because all of the US wells bring negative rents. That fact is not reasonable, because US firms would not operate under negative profits, unless they were subsidized by the government. Then A. Miller states that Russia has the same technology and is already using it to extract gas from coal in Kuzbass. Even if Gazprom did have that technology, what would make it profitable for Gazprom to use that technology, while it was non-profitable for the US firms? And if it wasn't profitable, why would Gazprom use it, let alone invest to develop that technology?

On the whole, the interviewer and Alexei Miller discuss only two rival suppliers to the European market throughout the interview. The first one is the United States, whose quantities supplied to the European market so far have been marginal, and Qatar, whose gas deliveries have been redirected towards Asia, according to Miller himself. The head of Gazprom avoids mentioning other gas competitors; thus, by discrediting the only two mentioned competitors on the European Market, Qatar and USA, he creates an illusion that Gazprom controls the market. Hence, talking about the United States as a competitor, while its exports to Europe are marginal, is the strategy to take attention away from three other major competitors and create a positive image for the company – that is an *image of dominance on the European market*.

Gazprom seems to have the interview planned, having the interviewer follow specific guidelines, but it tries to make it seem natural at the same time in order to appeal to the Russian general public that views it. The interview is shaped in a way that makes the viewer believe what the head of Gazprom says. That includes creating a negative image for Ukraine and a good image for itself – that is an image of a dominant position on the European Market. That way, the company is able to manipulate public opinion and support its operations and strategies, such as building new pipelines to Europe that deliver gas independently from Ukraine and having exclusive access to the pipelines to export gas abroad.

The Russian general public is not the only audience that Gazprom is trying to reach through media outlets. In an interview with Natural Gas Europe, the head of the contract structuring and pricing directorate at Gazprom Export Sergey Komlev is addressing a different audience – namely, *European consumers*. His message is the opposite of Miller's message, stating Gazprom's political non-involvement and being operated purely by the rules of the market, rather than being a dominant dictating power on the European Market. We turn to that interview to examine the message.

Third Media Outlet Analysis: Interview with Sergey Komlev

The interview with Sergey Komlev differs dramatically from the other two media outlets discussed earlier, outlets that shape and promote a positive image for Gazprom. First of all, the purpose of the interview is different: it was conducted by an independent European source in advance of the European Gas Conference in Vienna to prepare Gazprom and other participating companies for the conference. Unsurprisingly, the intended audience for the interview is different, educated and informed on the details of the issue – Gazprom’s *European customers*⁹¹. Naturally, the questions asked during the interview appear to be more critical, and have the power to harm the image of the company, unlike the questions asked during the interview with Alexei Miller. Hence, the answers seem to be chosen very carefully, in advance of the interview. Part of Gazprom’s strategy, while targeting the company’s customers in Europe, was to *present itself as a politically neutral entity*, operated purely by the rules of the market – a positive image of the company in that region, as compared to the image of a politically-led company that is trying to dominate the market. This idea of political neutrality is emphasized twice by Sergey Komlev throughout the interview. The first time, it is in response to the interviewer’s question:

Gazprom has been raising concerns over the evolution of the internal gas market in Europe for some time now but Brussels seems to be paying little attention. How do you explain this, knowing that you are Europe’s first external supplier? Furthermore, how do you explain the European phobia against Russian gas? [...] (Sahraoui, 2013 January 31, par. 6).

Note that the interviewer is referring to Russian gas, not Gazprom’s gas – asking the question concerning the whole country rather than the company itself presents a political question; it can be inferred that the company is a tool in Russia’s hands to deliver gas to Europe. Furthermore, the interviewer’s question also seems to imply that Gazprom’s influence on the market is deteriorating – Gazprom, as the first external supplier in Europe, has been raising concerns for some time, but the European Commission (EC) has not been paying attention. Komlev replies with a twofold answer:

Brussels is focused on geopolitics. Our company participates in various discussions held with the EU, but unfortunately, our arguments are often unheard or unwanted. Namely, we haven’t yet heard a clear explanation why such a big emphasis is put by the EC on lowering the dependence on Russian gas. On the contrary, our approach is commercial-based: we want to sell as much gas as possible, at prices that provide for balance of interests of both buyer and seller and support investment cycle; we aim at harmonious development of European gas market that’s in interest of everyone involved in it. (Sahraoui, 2013 January 31, par. 8).

S. Komlev agrees that the EU pays little attention to the arguments brought up by Gazprom, but he turns the table on the European Commission by reasoning that it is Brussels that is focused on politics, not Gazprom. Then he goes further to say that, on the contrary, the company’s approach is commercial-based, and outlines its strategy in support of his argument.

The way the interviewer forms the questions might seem sympathetic towards Gazprom, but it is deceiving, taking into account the underlying assumptions and implications of the questions. The interviewer asks the questions in that way to soften their content, in order not to appear antagonistic, but rather neutral on the subject. And so, when Komlev is asked about the anti-trust investigation started against Gazprom, the interviewer does not specify who the investigation was started by – she leaves the European Commission¹⁰¹ out of the question to make it look like an observer, rather than the initiator: “What would you like to say about the anti-trust investigation launched in September

against Gazprom?” (Sahraoui, 2013 January 31, par. 14).

Answering this provocative question^[11], Komlev turns the table back on the European Commission once again, asserting that the EC is the one who is trying to achieve a political agenda – to decrease the gas prices for several Eastern European countries. His argument does not seem that convincing this time, because he avoids mentioning the Russian government involvement in the matter. He goes further to refute the accusations against Gazprom of being “monopolistic”, using the word as some sort of a nickname, rather than a fact. Gazprom is the biggest natural gas supplier to the European Market, and its market share gives it substantial power to raise the price of gas above the long-run marginal cost^[12] (Tarr, 2010), which by definition makes the company a partial monopoly in this case. This statement defeats the following argument of Komlev and makes him sound defensive, rather than reasonable. It does not mean that his further argument is false, but it does bring a negative image to his overall delivery.

The second time the head of Gazprom Exports brings up the idea of the company’s political neutrality is following the concluding question of the interviewer:

While Russian gas is being "ill-treated" by the European Commission, very little is said about Algerian gas. Is there a real difference in treatment? If so, why? Generally speaking, how do you explain the increasing energy relation tensions between the EU-Russia? (Sahraoui, 2013 January 31, par. 16).

Sergey Komlev responds with the comment that ‘the Algerian suppliers are not “patted on the back”’ either, implying that there are tensions not just between the EC and Gazprom, but also between the EC and any other gas supplier to the European Market. He agrees that Brussels comments the most on Russian gas, but that is normal, taking into account that Gazprom is the biggest gas supplier to the European Market. Komlev concludes the interview with the echoing statement that the EC is focusing on the politics, rather than economics; and since Gazprom is a politically neutral company, he, as the representative of the company, prefers not to comment on the political issues (Sahraoui, 2013 January 31, par. 17). It is a statement that is dogmatic rather than realistic, taking into account the fact that the Russian government holds the majority of the shares of the company and is able to have a decisive voice on any decision of Gazprom’s corporate matters (Anderson, 2008). But that is the image that the company is trying to depict for itself to this particular audience – the European customers. This image of non-political involvement of the company and it being “non-monopolistic” is particularly fascinating in comparison to the image created during the interview with Alexei Miller – an image of Gazprom being a dominant supplier, having no real competitors and therefore having the European Market under Gazprom’s control. It is not surprising to see such a difference in the message of the company, because both interviews – the outlets to create and promote the company’s positive image, as they are named in this paper – are directed at different audiences through different channels. Either one of the interviews is unlikely to be viewed by the audience other than the one it is intended for.

Summary of Findings

The Russian natural gas export giant Gazprom uses many media outlets to create and promote a positive image for itself both on the domestic and international arena. This paper analyzes three such outlets. The first one, the company’s website in English, is the easiest to look at, since it is a self-portrayal by the company – not subject to any criticism or comments directly on the website. This media outlet is different from the other two, because it is intended for several different

audiences at the same time: the Russian general public, European consumers and foreign investors. Gazprom appeals to the Russian general public through the direct and indirect portrayal of environmental stewardship, social consciousness and progress as its core values. The company justifies natural gas on its website as the best choice of fossil-fuel on the energy market, and signals that Gazprom should be the supplier of the European consumer's choice, because its supply is reliable, efficient and balanced. To appeal to foreign investors, the company presents itself as "leader among global energy companies" (Gazprom, 2013 b, par. 1) – the best there could be to invest in.

The second media outlet analyzed in this paper is the interview conducted domestically by the "Vesti" news agency with Alexei Miller. This particular outlet targets the Russian general public; it is relatively easy for the company to create a positive self-image, since the news agency conducting the interview is state run. With the help of the interviewer, Alexei Miller achieves two goals with the interview: creating a negative image for Ukraine and creating a good image for Gazprom – that is an image of a dominant power on the European market. That way, the company is able to manipulate public opinion and support its operations and strategies, such as building new pipelines to Europe that deliver gas independently from Ukraine and having exclusive access to the pipelines to export gas abroad.

The last media outlet used to create and promote a positive self-image of Gazprom that this paper examined is the interview conducted by the "Natural Gas Europe" with Sergey Komlev. Unlike in the interview with A. Miller, S. Komlev is interviewed by an independent European source, so it is harder for the company to maintain a good image. The questions asked by the interviewer are more critical and have the power to harm the image of Gazprom. The interview is intended for Gazprom's European customers; and the image for the company that Komlev strives to produce is the opposite from the one shaped by Miller – the image of a politically neutral entity, operated purely by the rules of the market. It is not surprising to see such a difference in the message of the company, since these two interviews are directed at two different audiences. Gazprom succeeds in achieving a positive image in the first media outlet, since it is the one intended for all audiences; and the company succeeds in achieving a positive image in the other two medium outlets as well, as long as they are viewed only by the intended audiences.

^[1]New LNG projects are important for Gazprom to stay competitive on certain natural gas markets, especially on Asian and European Markets.

^[2]To read more about the amendments to the Russian hydro-carbon legislature, please, refer to (Hines & Marchenko, 2013 June 3).

^[3]The evaluation of a narrative is adopted from Linde (1993). Linde specifies four distinctive structural parts of a narrative in a life story: abstract, the orientation, one or more narrative clauses, and the coda.

^[4]The analysis of this and the following sections is conducted using the techniques outlined by Gee (2011).

^[5]Gazprom is commonly accused of charging a price that is above the long run marginal cost, which

is a property of a monopoly, rather than a firm in a competitive market.

^[6]The concept of the “invisible hand” originated from Adam Smith’s writing about the self-regulating behavior in the marketplace. The main idea of the “invisible hand” was that the market brings the most efficient outcome to the society if it is unregulated, guided by the invisible forces of the supply and demand.

^[7]The word has a root of *кожа* – *skin*, and is often used with relation to skin, or at other occasions to a scab that is ready to fall off. That perfectly connects to the opening introduction and the idea of Ukraine being a *scab* in the Russian-European oil-gas relations that might soon fall off.

^[8]The first major project of building a pipeline to avoid gas delivery to Europe through Ukraine was Nord Stream. It is currently operational, but is being expanded. The Second major project is South stream – it is currently under construction, a project that is widely criticized. Critics argue that Gazprom will not be able to meet its proposed goal and therefore does not need the South Stream pipeline. President Putin has recently instructed Alexei Miller also to return to the development of the new “Yamal- Europe 2” project, a pipeline that would also avoid gas delivery to Europe through Ukraine.

^[9]Even though the European general public might not fit into this category, it still has the access to the interview. The language that the interview was conducted in is English.

^[10]Refer to (Ericson, 2012) for more information on the anti-trust investigation.

^[11]The question is provocative, because following the launch of the anti-trust investigation by the EC, a response came from Russian government. It prohibited Gazprom officials to facilitate the foreign investigation in any way, so the matter was being resolved by governmental officials instead of the heads of the company (Ericson, 2012).

^[12]In case of perfect competition, the price of gas would be equal to the long-run marginal cost, because the company’s profit would equal zero.

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