

Nord Stream, Putin's "Peace Pipelines": Russia and Germany Join Hands?

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Global Research, May 09, 2010

Al-Ahram Weekly 6 May 2010

Region: Russia and FSU
Theme: Oil and Energy

First Nord Stream and now its southern sister have suddenly become realities despite intense political and media hostility in the West.

Delayed because of opposition and the confrontational approach of the Bush regime postlraq to Russia's attempts to forge closer ties with Europe, construction of the ambitious new Nord Stream pipeline was finally launched by Russian President Dmitri Medvedev on 9 April, with German Chancellor Angela Merkel putting in an appearance by satellite. The first pipes are now being laid off the Swedish coast. When completed in 2011 it will be the longest and most massive undersea pipeline in the world. It will be 51 per cent owned by Gazprom with the balance of the shares held by German, French and Dutch investors. It is a considerable achievement for Russian Prime Minister Vladimir Putin. In addition he has rounded off a good month by achieving an unexpected settlement of all frontier disputes with Norway. This means that the artic energy fields in the area can now be opened up for exploration sooner than expected.

Nord Stream should be considered in conjunction with two other troubled energy routes. First there is the Baku Tbilisi Ceyhan (BTC) oil route opened in May 2005 that connects Baku on the Caspian Sea with the Turkish Mediterranean coast, avoiding Russian territory and raising Georgia from geopolitical irrelevance to almost Israel-like status in US foreign and military policy. It was conceived and completed at a time of great Russian weakness and in the teeth of Moscow's objections.

Whilst it only transports a bit more than one per cent of the world's oil, it gives the US, NATO or the EU a permanent excuse to tinker militarily in the southern Caucasus. "We must protect our vital energy routes" is the cry. It is worth noting in passing first that according to revelations by a former BP employee in the Daily Mail it was conceived in a deluge of corruption involving principally Azerbaijan and British Petroleum. If the US was capable of conducting sensible relations with Iran it would not have been necessary at all. The oil could have transited Iran by the shortest route via an existing pipeline to the Persian Gulf that only needed upgrading.

Then there is the much trumpeted Nabucco route from Central Asia into southern Europe that also was originally openly touted, like the BTC, as a means to bring gas to southern Europe by-passing Russia, with ostentatious US support. Unlike the BTC a new southern route for gas is actually useful, particularly for the Italian market. The problem with Nabucco is that it has little cash and less gas. The only country that can fill it is... Iran. In April 2008 Russian Ambassador to the EU Vladimir Chizhov observed wryly, "I know few things about political geography. The only way to fill the Nabucco pipeline is to rely on Iranian gas. But

then it is up to the West. I would not presume to tell the EU how to deal with Iran." He then did just that advising "Either bomb Iran or buy its gas."

Putin's reactions to all this in-your-face energy aggression, accompanied as it was by velvet revolutions and disputes all around Russia's borders, was to put his own energy behind the languishing Baltic pipeline scheme and launch another southern one, both by-passing the temperamental pro- US string of ex-Soviet republics to Russia's west, including Ukraine, through which 80 per cent of Russian gas to the EU flows.

South Stream faces competition with a Euro- scheme, Nabucco, but with the agreement announced this month between Austria and Russia, it is edging out its rival. There are signs that the Obama administration may be moving towards cooperating rather than competing on the principle of "if you can't beat 'em join 'em". A source close to the project told Al-Ahram Weekly that they were quietly confident the Russian Black Sea pipeline would go ahead.

Nord Stream was at first ignored by Western media and then dumped on. Sweden, Poland and the Baltic states have been particularly vociferous, egged on by US mutterings about over- dependence on Russian energy, curiously ignoring its own dependence on the Middle East and African sources. The most virulent attack came from the Polish defence minister and now Foreign Secretary Radoslaw Sikorski. In April 2006 he compared the German Russian agreement to the Molotov Ribbentrop Pact, which partitioned Poland in August 1939, the argument being that with a direct pipeline to Germany for the first time the Russians will be able to cut off the Baltic states, Poland and Ukraine without affecting Western Europe.

The announcement that the Russian navy will be responsible for protecting the completed pipeline caused much fluttering in the media dovecotes. After years of NATO/US sabre rattling about protecting vital energy routes, there is concern that Russia might apply the same justification one day to protect its vital energy routes.

All of the countries around the Baltic have, to a greater or lesser degree brandished environmental objections. Concerns have been expressed about the large quantity of munitions on the Baltic Sea bed left over from the two world wars.

Former German chancellor Gerhard Schröder is accused of being too friendly towards Russia. As German leader he was on good terms with then- president Putin and arranged a one billion Euro loan guarantee for the northern pipeline project a few weeks before he left office in November 2005. The final agreement between Germany and Russia was signed only 10 days before elections. When an anti-Russian Angela Merkel took over as chancellor, he went on to become chairman of the Shareholders' Committee for Nord Stream AG.

On 13 December 2006 the Washington Post produced a thunderous editorial headed, "Gerhard Schröder's sell out", while admitting that US politicians move from their committees to work as lobbyists for organisations that they previously were monitoring. "Could it have been because the former Chancellor realised he was in effect creating his own future place of employment?" they asked hypocritically.

All the eggs were not in Schröder's basket, however. Two weeks before the elections, Putin had asked for a meeting with Merkel to get her assurance that she was prepared to support the project if she won. Without this he was not prepared to go ahead. Merkel confirmed her

support and so the project continued. Schröder was merely acting in what the bi-partisan German political and economic establishment considered were the best interests of Germany. It is worth noting that Schröder is a firm believer in Russo-German reconciliation; he never knew his father, killed fighting the Red Army in Rumania six months after he was born. He has himself adopted two Russian orphans. Merkel has publicly confirmed her support for the pipeline this month.

Nord Stream Communications Director Jens Mèller told the Weekly, "the project was originally launched in 1997 before anybody had ever heard of Vladimir Putin and the EU has supported the project since 2000. At the time there was no objection from anyone." He added, "we see ourselves as a sort of litmus test of Russian-Western relations. It would have been easier to build in 2002. That was before the deterioration of relations between the West and Russia which seems to have dictated media reactions. They always produced the same standard set of objections — Putin, Schröder, military threat, over-dependence on Russian gas and the energy threat to the ex-Soviet states. Now suddenly it is alright again."

The attempts by Bush and his neoconservative supporters on both sides of the Atlantic to scuttle the deal were clearly aimed at a now cash rich vibrant Russia that might not be so vulnerable to US machinations in Europe and further east.

This "alright again" state of affairs is not unconnected with a slightly more sensible US energy policy in Europe as United States President Barack Obama tries to undo some of the damage left behind by Bush. Richard Morningstar, US special envoy for Eurasian energy, has taken a less confrontational stance to Russia. He still claims to be concerned at European dependence on Russian energy and opposes Iranian gas for Nabucco but last September he told EUobserver.com, "We want to engage with Russia and we're hoping there will be ways to co-operate, that we don't look at things as a zero-sum game. Zero-sum games are expensive in today's financial world."

Predictably, it was from that date onwards that the Baltic countries all lined up to sign agreement to the Nord Stream project.

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