



Washington's plans to torpedo Russia-Europe gas pipeline will blow up in its face

Ted Galen Carpenter

MARCH 24, 2021

U.S. leaders have exhibited unrelenting hostility to the Nord Stream 2 natural gas pipeline from the moment construction began in 2011. The pipeline, running under the Baltic Sea, thereby linking Russia and Germany while bypassing the Baltic republics and Poland, is now close to completion.

The Obama, Trump, and Biden administrations, however, all charged that the pipeline will deepen the already extensive dependence of Germany and other portions of democratic Europe on Russian energy supplies. That enhanced dependence, U.S. officials argue, will give Moscow geopolitical leverage to a dangerous extent over its western neighbors. Congress approved legislation in 2019 authorizing sanctions against companies involved in the project, and passed an even stronger measure in late 2020.

It's clear that the Biden administration's policy regarding Nord Stream 2 does not deviate from the course its predecessors pursued. That stance should not come as much of a surprise. As vice president in 2016, Joe Biden bluntly described the project as a "bad deal" for Europe. On March 18, Secretary of State Antony Blinken issued a statement demanding that firms involved in the pipeline project immediately cease work. "As multiple U.S. administrations have made clear," Blinken stated, "this pipeline is a Russian geopolitical project intended to divide Europe and weaken European energy security."

Giving remarks as he met Secretary-General Jens Stoltenberg at his first NATO visit Tuesday, Blinken said, "President Biden has been very clear, he believes the pipeline is a bad idea, bad for Europe, bad for the United States, ultimately it is in contradiction to the EU's own security goals."

Washington's policy reflects an astonishing degree of arrogance, and European resentment at such bullying behavior is building. The reaction of Rainer Seele, the CEO of the Austrian energy firm OMV, to Blinken's March 18 statement was typical. "This project is of great importance for the security of supply of the European gas market, it is therefore Europe's responsibility to decide," Seele told Austrian newspaper Wiener Zeitung. He added: "We have had a deep transatlantic friendship with the USA for decades. And friends shouldn't threaten each other."

Unfortunately, there is very strong, bipartisan support among America's political elite for a hardline policy. In 2017, Jeanne Shaheen, (D-N.H.), a key Democratic member of the Senate Foreign Relations Committee's subcommittee on European Affairs, contended that "Russia has a

track record of weaponizing natural gas.” She warned that completion of Nord Stream 2 would “give Russia even more options for influencing and intimidating Europe, specifically Ukraine.” The mention of Ukraine was not tangential or coincidental. Completion of Nord Stream 2 would deprive Kiev of lucrative transit fees for gas flowing through existing pipelines. For Ukraine’s partisans in the United States, such a development is considered intolerable.

Two years later, Shaheen co-sponsored a bill with Sen. Ted Cruz (R-Texas) to take substantive steps to block the project. She warned that the United States cannot simply look the other way “while the Kremlin builds this Trojan horse.”

As Cruz’s role indicated, Republicans have been at least as militant as Shaheen regarding the issue. In 2018, President Trump stated in his typically blunt fashion that the Nord Stream 2 pipeline was a “horrible thing” and warned that “it’s a tragedy” for Germany to allow billions of additional dollars to flow into Russia’s coffers. He also stressed that upon completion of the gas pipeline, Germany would get 60-70 percent of its energy from Russia.

The harsh remarks were not simply a case of Trump being Trump. A similar hostility to the pipeline — and to Russia generally — has characterized the bipartisan support in Congress for punitive measures. Rep. Michael Conaway (R-Texas), a key sponsor of a resolution in 2018, candidly expressed the underlying assumption. “Russia has continually defied global norms, sovereign borders, and international law. We would be foolish to allow Vladimir Putin a stronger grip on our European allies and the global energy market.”

Indeed, Republicans now appear to advocate an even more uncompromising approach than the Biden administration is adopting. Responding to a new State Department report in mid-February 2021, Sen. Jim Risch, (R-Idaho) the ranking member of the Senate Foreign Relations Committee, expressed his deep dissatisfaction at the decision “to forgo additional sanctions on other entities involved in its construction.” He even went so far as to allege that the report “is a gift to the Russians and their ongoing efforts to undermine European energy security, destabilize Ukraine, and facilitate corruption and malign influence throughout Europe.”

Cruz has adopted an especially militant position. He put a hold on the nomination of William Burns as the head of the CIA, withdrawing it only after Blinken’s March 18 statement warning firms of U.S. sanctions if they continued work on Nord Stream 2. However, Cruz reiterated that he would continue to block confirmation of Wendy Sherman to be Blinken’s deputy, as well as future State Department nominees, “until the full sanctions mandated by Congress are in fact broadly imposed against the ships and companies critical to completing the pipeline.”

It’s apparent that the administration continues to be under pressure from some influential congressional Democrats as well. Senator Bob Menendez, (D-N.J.), chairman of the Senate Foreign Relations Committee, said he was “encouraging” the administration to “accelerate” its efforts on the pipeline, noting the bipartisan support for additional sanctions.

Although there is opposition in Europe to Nord Stream 2 (especially in Ukraine, Poland, and other East European countries), there is considerable backing for the project — and mounting resentment at U.S. tactics. The latter development is especially apparent in Germany. Former Chancellor Gerhard Schroeder is the chairman of the board of the Nord Stream 2 consortium, reflecting the economic importance that members of Germany’s political and economic elite attach to the project. Angela Merkel’s government has maintained its commitment to Nord

Stream 2 despite U.S. pressure, and other influential Germans have denounced calls in the United States for tough sanctions.

German President Frank-Walter Steinmeier defended the pipeline by saying that fuel sales were “one of the last bridges between Russia and Europe.” Other German officials point out that West Germany imported gas from the totalitarian Soviet Union during the Cold War era, and they contend that Moscow is more dependent on exporting gas than the other way around. The Federation of German Industries (BDI) warned that U.S. sanctions against companies participating in the Nord Stream 2 project create “serious stress” for the transatlantic partnership. Foreign Minister Heiko Maas and others have accused the United States of infringing on European and German sovereignty, and argue that Europe can decide for itself about its sources of energy. Oliver Hermes, head of the parliamentary committee for Eastern Europe, said the U.S. threats marked “an unbelievable low” in the transatlantic relationship. Gerhard Schroeder even called for “counter sanctions” against the United States.

Washington needs to abandon its efforts to torpedo Nord Stream 2. Whether that pipeline is a good or bad idea from the standpoint of European interests is properly a decision for the Europeans to make. Uncle Sam must stop acting as an overbearing Big Brother treating Germany and other allies as incapable of making their own decisions on such matters. If exerting crude pressure to compel compliance with Washington’s preferences is what President Biden had in mind when he stated that “America is back” and pledged to restore U.S. “leadership” of the transatlantic alliance, important European allies, especially Germany, may come to resent the new administration as much as they did its predecessor. And they would have good reason to do so.

Ted Galen Carpenter is senior fellow for defense and foreign policy studies at the Cato Institute.