

The Russian Solution to a European Energy Crisis

Europe is running out of gas. The transition away from coal and nuclear isn't happening fast enough, and it has left Western European countries stuck between supporting their foreign allies and protecting domestic interests. With panic rising and solutions limited, the Nord Stream 2 pipeline, while unpopular, may be Europe's best option yet.

According to senior advisor for energy security at the State Department Amos Hochstein, if this winter is colder than usual, parts of Europe will not have enough gas to heat their homes (Hornden and Freitas, 2021). But this is nothing new. Even before the pandemic, almost 80 million European households were struggling to afford heating in their homes (Horowitz, 2021). With the supply of gas restricted and demand at a high, prices will soar; while wealthy countries may be able to afford it, their poorer counterparts won't be as lucky.

The issue transcends individual households—it impacts each country's economy as a whole. If this crisis isn't solved soon, governments will be forced to reduce manufacturing capacity in order to direct limited gas supply to the consumer sector to ensure household survival (Reed, 2021). With natural gas generating almost a fifth of all of Europe's electricity, the price of electricity has also skyrocketed, extending the repercussions of shortages far past initial estimates (The Economist Newspaper, 2021).

These ever-increasing problems have forced state leaders to turn to the root cause of this crisis: restricted gas supply in a time of heightened demand. With Russia providing almost half of all of Europe's natural gas, all eyes are turned to the East looking for an explanation, and, as the crisis worsens, a solution (Eurostat, quoted in Liboreiro and de Filippis, 2021).

Russia's response has been to point to the Nord Stream 2 pipeline, a controversial Russian-German project that has worried other European countries since its conception. This

pipeline would run directly from Russia to Germany, bypassing existing routes through Ukraine and Poland (EuroNews with AP, 2021). According to claims made by Vladimir Putin, the pipeline would increase gas delivery to Europe by 10%, thus decreasing prices and alleviating the economic pressure in Western Europe (Liboreiro and de Filippis, 2021).

Many European countries are wary of accepting this proposition, as they view it as a way for Russia to increase its political and economic might at the expense of its western neighbors. The issue goes beyond natural gas—it extends into politics, as European leaders are worried that such dependency would erase many deterrence and retaliation options, allowing Russia to freely advance its political agenda in Ukraine and other eastern countries.

However, this leverage is already in motion. With German approval of the pipeline likely to drag into 2022, Russian influence has already become apparent with its response (AFP, 2022). In late December, Russia stopped, and then *reversed* the flow of gas back east in the Yamal–Europe pipeline, one of the largest Russia-Europe gas pipelines (Golubkova, Steitz, and Twidale, 2021). All Europe could do was watch as the gas returned east.

There are no alternative solutions that could mitigate this energy crisis. No other country can provide Western Europe with the gas they so desperately need for their economy and citizens. With or without the Nord Stream 2, Europe relies on Russia for gas. Whether or not such reliance should be expanded is not a political question, nor is it an ethical one. It is purely an economic challenge that should be treated as one. As explained by Kevin Kuehnert, a senior official from Germany's Social Democratic Party (SPD), “the project [...] should not be mixed up with responses to Russia's territorial controversies with Ukraine and human rights issues” (Rinke, 2022).

No matter the stance on Russian expansion in Eastern Europe, it is undeniable that the addition of the Nord Stream 2 pipeline would solve the energy crisis that, without Russian gas, would continue to worsen until it reaches emergency levels. Russia will continue to remain a dominant power within this sector. Until Western Europe is able to fully transition to alternative energy sources, it will have to accept its dependency on Russian natural gas and look for other means by which to exert political pressure on its eastern counterpart.

References

- A. F. P. (2022, January 10). *Germany Says No Nord Stream 2 Approval for Six Months*. The Moscow Times. Retrieved January 10, 2022, from <https://www.themoscowtimes.com/2021/12/16/germany-says-no-nord-stream-2-approval-for-six-months-a75841>
- The Economist Newspaper. (2021, September 15). *Why has the price of electricity in Europe reached record highs?* The Economist. Retrieved January 10, 2022, from <https://www.economist.com/the-economist-explains/2021/09/15/why-has-the-price-of-electricity-in-europe-reached-record-highs>
- Euronews with AP. (2021, December 30). *Russian president Vladimir Putin says Nord Stream 2 'ready to go'*. Euronews. Retrieved January 10, 2022, from <https://www.euronews.com/2021/12/30/russian-president-vladimir-putin-says-nord-stream-2-ready-to-go>
- Golubkova, K., Steitz, C., & Twidale, S. (2021, December 21). *European gas prices hit record as Russian flows via Yamal reverse*. Reuters. Retrieved January 10, 2022, from <https://www.reuters.com/business/energy/russian-gas-flows-germany-via-yamal-europe-stop-gascade-data-shows-2021-12-21/>
- Hordern , A., & Freitas , G. (2021, September 20). *Europe Risks Running Out of Gas This Winter, U.S. Official Says*. Bloomberg. Retrieved January 10, 2022, from <https://www.bloomberg.com/news/articles/2021-09-20/europe-risks-running-out-of-gas-this-winter-u-s-official-says>

Horowitz, J. (2021, November 18). *Europe was already facing a winter gas crisis. the risks just got even bigger*. CNN. Retrieved January 10, 2022, from

<https://www.cnn.com/2021/11/18/energy/nord-stream-2-europe-energy/index.html>

Liboreiro, J., & de Filippis, A. (2021, October 28). *Why Europe's energy prices are soaring and could get much worse*. Euronews. Retrieved January 10, 2022, from

<https://www.euronews.com/2021/10/28/why-europe-s-energy-prices-are-soaring-and-could-get-much-worse>

Reed, S. (2021, December 22). *Europe's Energy Crunch continues as gas and power prices soar*.

The New York Times. Retrieved January 10, 2022, from

<https://www.nytimes.com/2021/12/22/business/europe-natural-gas-prices.html>

Rinke, A. (2022, January 8). *German SPD official defends pro-Nord Stream 2 policy*. Reuters.

Retrieved January 10, 2022, from

<https://www.reuters.com/markets/commodities/german-spd-official-defends-pro-nord-stream-2-policy-2022-01-08/>