



# Judy Dempsey's Strategic Europe

## Nord Stream 2 is Germany's—and Europe's—Achilles' Heel

Judy Dempsey

The completion of the Nord Stream 2 gas pipeline deals Russia several cards that weaken Germany, divide Europe, and blackmail Ukraine. If the EU is to engage globally, it must stop serving as Moscow's playground.

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*This blog is part of ENGAGE, a project that examines challenges to global governance and EU external action. A consortium of thirteen academic institutions and think tanks seeks to assess the EU's ability to harness all its foreign policy tools and identify ways to strengthen the EU as a global actor.*

*The project's kick-off conference will take place on June 16, 2021.*

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When it comes to relations with Germany, the Nord Stream 2 pipeline gives Russia almost everything it has long wanted.

It allows the Kremlin to send gas directly from Russia to Germany via the Baltic Sea.

It enables Russia to tighten even more its economic and political ties with German business and politicians in ways that influence energy decisions inside the EU. Gerhard Schröder, former Social Democrat chancellor, is chairman of Nord Stream AG's shareholders' committee.

It gives Russia a prize it has long sought: the ability to use the pipeline to break its dependence on and blackmail Ukraine as a leading transit country for Russian gas to Europe.

Above all, it robs Germany and other EU countries of leverage they could have used to apply pressure on Russian President Vladimir Putin over many issues.

Germany could have stopped the completion of the pipeline as leverage to support the leading Russian opposition figure Alexei Navalny, who is now in prison.

It could have used it to defend Russia's now banned non-governmental organizations. Russia has recently extended its reach to German civil society organizations that work with their Russian counterparts.

The Kremlin insisted they be excluded from the annual German-Russian Petersburg Dialogue that is supposed to facilitate contacts between civil society groups, think tanks, and decisionmakers from the two countries. The German government, for now, suspended the dialogue in protest against the pressure on its own NGOs, despite behind-the-scenes pressure from German politicians with close links to the Kremlin.

Nord Stream could also have been used as leverage to support much more actively the many thousands of Belarusian citizens that peacefully protested last August's rigged presidential elections in which Alexander Lukashenko was elected last for a fourth term. Since then, many of them are now behind bars. Meanwhile, Lukashenko remains in power with Russian political, economic, and intelligence support.

Instead, the Nord Stream card is off the table. No thanks to Angela Merkel.

Since becoming German chancellor in late 2005, she has consistently supported a project that undermines Germany's values and interests.

That support affects Berlin's relations with several governments, including that of the United States, which under President Joe Biden opposes Nord Stream—but won't stop it. When it comes to these divisions inside the EU and between Berlin and Washington, Russia couldn't ask for more.

So if and when the EU forges a strategic relationship with Russia, it will be Germany that will set the terms. Nord Stream will be able to tie its hands in ways that undermine Germany's and Europe's interests and values. So much for all the rhetoric defending what the EU stands for.

What is taking place over Nord Stream 2 and inside the EU has wider implications for European democracy.

Poland's Law and Justice party has been systematically chiseling away at the independences of the judiciary and the courts. Even if the judiciary needed some reforms, that did not necessitate stripping judges of immunity and appointing party loyalists to leading positions in the judicial hierarchy.

In Hungary, the abuse of EU funds to finance projects that will buy even more support for Prime Minister Viktor Orban's Fidesz party is well known.

In terms of the EU's ability to project a coherent foreign policy stance over China and Hong Kong, Hungary has used its veto to stop criticism of China's clampdown on human rights and media freedom in Hong Kong.

Hungary and Poland are not exceptions. It took the U.S. Treasury Department—not the EU—to single out several Bulgarian politicians and individuals for corruption and ties with Russia.

This was despite repeated calls by Bulgarian judges and prosecutors, lawyers, and individuals who have been campaigning for a transparent and independent judiciary but were ignored by the EU. Values and interests were discarded.

What the above—including Nord Stream—illustrate is how the democratic foundations of the EU are being challenged from within.

It is easy to blame Russia and China for undermining Europe's unity, its democratic values, and institutions. Thomas Haldenwang, head of Germany's domestic intelligence agency, recently warned that Russian intelligence has "significantly increased its activity" in Germany.

It was, he added, as active as it was during the Cold War. Russia was using agents to try and "establish contact in the environment of political decision-makers. . . . [Its] methods are becoming rougher and the means more brutal."

Bruno Kahl, president of Germany's foreign intelligence agency, stated that Russia and China were attempting to "stir up dissonance between states in the West."

You couldn't get clearer than those statements. Europe is becoming a playground for Russian and Chinese interests as several member states allow both to play off EU governments against each other.

Germany, among others, could take the lead in closing that playground. Were that to happen—if it's not too late—the EU would be in a much stronger political and economic position to engage globally.

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