

Trade Wars: Trump Wants US Liquefied Natural Gas (LNG) to Replace Russian Natural Gas Nord Stream Exports to the EU

By Stephen Lendman

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Russia's Nord Stream pipeline project is the most impressive of its kind – when completed to be the world's longest underwater pipeline.

It'll be able to deliver 55 billion cubic meters of natural gas from beneath the Baltic Sea, its capacity to be doubled by an additional line.

The project is scheduled for completion by late 2019, construction cost an estimated 9.5 billion euros.

The pipeline will traverse the territorial waters of Russia, Finland, Sweden, Denmark and Germany.

Russia's Gazprom's European partners include France's Engie, Austria's OMV AG, Germany's Uniper and Wintershall, along with Royal Dutch Shell. These companies are financing half the cost, Gazprom the remainder.

According to Gazprom's CEO Alexey Miller, January 1, 2020 is the project's expected startup date – Russian natural gas to flow to European buyers at 30% less cost than US liquefied natural gas (LNG).

The savings and proximity to European countries makes Russia their natural supplier. The Trump regime wants the project undermined, falsely claiming it jeopardizes European energy security and stability.

Polar opposite is true. It'll be an economic and energy boon for countries benefitting from the pipeline.

Last year, the State Department threatened possible sanctions on companies involved in the project. At the time, German Vice Chancellor/former Foreign Minister Sigmar Gabriel called the threat "hostile to Berlin's interests," adding:

It "aggressively bind(s) US economic interests with issues of external policy." Germany rejects US attempts to "push Russian gas from the European market" to sell its own. EU nations often talk tough, then yield to US dominance, harming their own interests.

On Monday, the White House threatened to impose sanctions on European companies involved in Nord Stream 2 construction through Countering America's Adversaries Through Sanctions Act (CAATSA) amendments.

The measure imposed sanctions on Russia, Iran and North Korea – overwhelmingly adopted by House and Senate members, three representatives and two senators alone opposing it in 2017.

According to the Wall Street Journal, Brussels and economic powerhouse Germany have strongly supported the project all along, intending to assure its successful completion – defying the Trump regime if hold firm.

Separately, the European Parliament adopted a non-binding resolution, expressing opposition to Nord Stream by a vote of 402 MEPs for stoppage, 163 supporting it, another 83 abstaining.

The measure came weeks after EU officials endorsed compromise amendments, extending EU pipeline regulations to and from bloc countries to non-member-states, including for Russian natural gas to European markets through Nord Stream.

Commenting on possible US sanctions on companies involved in its construction, Putin spokesman Dmitry Peskov slammed the Trump regime as follows, saying:

"The hostile and un-competitive attitude of the US to this exclusively economic project is well-known. This is not news, "adding:

"We are aware that we're dealing with attempts at unprincipled competition, and sometimes using actions that amount to racketeering or asset-grabbing (in) the international arena."

A Uniper statement expressed concern about continued project financing based on the threat of US sanctions, adding:

"We are currently operating under the specific guidance of the OFAC (the US Office of Foreign Assets Control). The financing of the project (was contractually agreed on) before any sanctions legislation (was enacted) in the US."

Senate Energy and Natural Resources Committee chairwoman Lisa Murkowski said no legislation is currently being considered to sanction companies involved in Nord Stream construction.

The US seeks a competitive advantage over all other countries – notably Russia and China, its main adversaries, wanting them marginalized.

That's what the Sino/US trade war and Trump regime efforts to undermine Nord Stream 2 are all about.

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Award-winning author Stephen Lendman lives in Chicago. He can be reached at <u>lendmanstephen@sbcglobal.net</u>. He is a Research Associate of the Centre for Research

on Globalization (CRG)

His new book as editor and contributor is titled "Flashpoint in Ukraine: US Drive for Hegemony Risks WW III."

http://www.claritypress.com/LendmanIII.html

Visit his blog site at <u>silendman.blogspot.com</u>.

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About the author:

Stephen Lendman lives in Chicago. He can be reached at lendmanstephen@sbcglobal.net. His new book as editor and contributor is titled "Flashpoint in Ukraine: US Drive for Hegemony Risks WW III." http://www.claritypress.com/LendmanIII.html Visit his blog site at sjlendman.blogspot.com. Listen to cuttingedge discussions with distinguished guests on the Progressive Radio News Hour on the Progressive Radio Network. It airs three times weekly: live on Sundays at 1PM Central time plus two prerecorded archived programs.

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