

Why Germany Has Won and Italy Has Lost

By Manlio Dinucci

Global Research, July 28, 2021

Region: Europe, Russia and FSU, USA

Theme: Oil and Energy

All Global Research articles can be read in 51 languages by activating the "Translate Website" drop down menu on the top banner of our home page (Desktop version).

Visit and follow us on Instagram at <u>@crg_globalresearch.</u>

German Chancellor Merkel – writes Alberto Negri (il manifesto, July 23) – has resisted the pressure of three U.S. administrations – Obama, Trump and Biden – to cancel North Stream 2, the pipeline that flanks the North Stream inaugurated ten years ago, doubling the supply of Russian gas to Germany. Instead, "South Stream, the Eni-Gazprom pipeline, failed". Negri rightly concludes that Merkel "has won the game that we have lost". The question arises spontaneously: why did Germany win and Italy lose?

The headline of the Washington Post is significant: "US, Germany reach agreement on Russian gas pipeline, ending dispute between allies". The agreement, stipulated by President Biden with Chancellor Merkel, has been and is strongly opposed by a bipartisan group in Congress, led by Republican Senator J. Risch who proposes a law against "the malignant Russian project". So the agreement is actually a "truce" (as Negri defines it).

The reason why the Biden administration has decided to stipulate it is to put an end to the "dispute" that was spoiling relations with Germany, an important NATO ally. The latter, however, had to pay the "pizzo" to the U.S. boss, committing itself – as requested by the under-Secretary of State Victoria Nuland – to "protect Ukraine" (in fact already a member of NATO) with an investment fund of \$ 1 billion to compensate it for the decreased revenue, since the twin North Stream gas pipelines pass through the Baltic Sea bypassing its territory.

In return, Germany has, at least for now, US permission to import 55 billion cubic meters of natural gas per year from Russia. The pipeline is managed by the international consortium Nord Stream AG, consisting of 5 companies: Russian Gazprom, German Wintershall and Pegi/E.On, Dutch Nederland's Gasunie and French Engie. Germany thus becomes the energy hub for the Russian gas supply to the European network.

The same role could have been assumed by Italy with the South Stream pipeline. The project was born in 2006, during the Prodi II government, with the agreement stipulated by Eni and Gazprom. The pipeline would have crossed the Black Sea (in Russian, Bulgarian and Turkish territorial waters) continuing overland through Bulgaria, Serbia, Hungary, Slovenia and Italy to Tarvisio (Udine). From here the gas would be routed into the European network.

Construction of the pipeline had begun in 2012. In March 2014, Saipem (Eni) was awarded

an initial €2 billion contract to build the undersea section. In the meantime, however, while the Maidan Square putsch precipitated the Ukrainian crisis, the Obama administration, in concert with the European Commission, moved to scuttle the South Stream. In June 2014, a delegation from the U.S. Senate, headed by John McCain, arrived in Sofia and transmitted Washington's orders to the Bulgarian government. Immediately this announced the blocking of the works of the South Stream, in which Gazprom had already invested 4.5 billion dollars.

In this way, Italy lost not only contracts worth billions of euros, but also the possibility of having on its territory the hub for the supply of Russian gas in Europe, which would have generated strong revenues and increased employment. Why has Italy lost all this? Because the Renzi government (in office from 2014 to 2016) and Parliament accepted Washington's imposition with bowed heads. Merkel's Germany, on the contrary, opposed it. It then opened the "dispute between allies" that forced Washington to accept the doubling of North Stream, while retaining the U.S. claim to decide which countries Europe is allowed to import gas from and which countries it is not allowed to import gas from.

Would an Italian government dare to open a dispute with Washington to defend one of our national interests? The fact is that Italy has lost not only the pipeline, but its own sovereignty.

*

Note to readers: Please click the share buttons above or below. Follow us on Instagram, @crg_globalresearch. Forward this article to your email lists. Crosspost on your blog site, internet forums, etc.

This article was originally published in Italian on Il Manifesto.

Manlio Dinucci, award winning author, geopolitical analyst and geographer, Pisa, Italy. He is a Research Associate of the Centre for Research on Globalization.

Featured image is from InfoBrics

The original source of this article is Global Research Copyright © Manlio Dinucci, Global Research, 2021

Comment on Global Research Articles on our Facebook page

Become a Member of Global Research

Articles by: Manlio Dinucci

About the author:

Manlio Dinucci est géographe et journaliste. Il a une chronique hebdomadaire "L'art de la guerre" au quotidien italien il manifesto. Parmi ses derniers livres: Geocommunity (en trois tomes) Ed. Zanichelli 2013; Geolaboratorio, Ed. Zanichelli 2014;Se dici guerra...,

Ed. Kappa Vu 2014.

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: publications@globalresearch.ca

www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca