RUSSIA'S RELATIONS WITH GERMANY SINCE 2000: ENERGY VS.POLITICAL DYNAMICS

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ABSTRACT

RUSSIA'S RELATIONS WITH GERMANY SINCE 2000: ENERGY VS. POLITICAL DYNAMICS Kılıç, Hakan M.S., Department of Eurasian Studies Supervisor: Prof. Dr.Oktay Tanrısever

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This thesis aims to analyze the relationship between Russia and Germany since 2000s in the context of energy and it adds the query if the dependency to Russian energy sources will make Germany, politically vulnerable, as a state to Russia. The context of the thesis includes: Russo-German interaction, potential of energy cooperation, political disputes between two states, economical dependency and alternative energy sources. Furthermore, the thesis looks forward to trace the roots of integrated partnership between Russia and Germany throughout the history and the reasons of cooperation in post 2000 period. This thesis argues that despite the skepticism, the political/economical relations create mutual interdependency for Russia and Germany, and they have influence over each other. Moreover, they have common interests from the cooperation, so political disputes will not put an end to the collaboration of Russia and Germany.

There are six parts in this thesis. After the introduction, the second chapter examines the roots of Russo-German relationship, a general (political, economical, social) look to both states and the current political dynamics between these states that affecting the affairs. While the third chapter explains the underlying reasons for Germany's energy needs, Russian's role to that, and cooperation alongside with the political outcomes, fourth chapter focuses on the suspicions on Russia's political reliability. Fifth chapter investigates the German impact on Russian economy and possibility of replacing Russian natural gas with alternative sources for Germany. The final part is the conclusion.

Keywords: Russia, Germany, Energy, Cooperation, Dependency

2000 SONRASINDA RUSYA'NIN ALMANYA ILE ILISKILERI: ENERJI KARSISINDA SIYASI DINAMIKLER

Kilic, Hakan

Yuksek Lisans, Avrasya Calismalari Bolumu Tez Yöneticisi: Prof. Dr. Oktay Tanrisever Aralik 2014, 118 Sayfa

Bu tez çalışması, 2000 yılından bu yana Rusya ve Almanya'nın ilişkilerini ele almaktadır. Tez, Rusya –Almanya iliskilerinde enerjinin etkin bir rol oynadigini ve sorunlara ragmen enerjinin bu iki ulkeyi politik ve ekonomik olarak birbirine bagladigini savunmaktadir. Potansiyel enerji alanları, Rus-Alman işbirliği, doğalgaz boru hatti projeleri ve Rusya-Almanya arasındaki politik/ekonomik çatışmalar bu tezde ele alınacak konulardandır. Bu tezin cevap vermeyi amaçladığı soru; Almanya'nin Rusya'ya olan enerji bagimliliginin politik zaaflara yol acip, acmadigidir. Ayrica, Rus-Alman isbirliginin kokleri de bu tezde islenmektedir. Bu tez, Rus-Alman isbirliginde karsilikli bagimlilik oldugunu ve iki ulkenin de birbirleri ustunde politik/ekonomik etki yarattigini savunmaktadir. Bazi politik suphelere ragmen, Rusya ve Almanya enerji isbirliginden ortak cikar saglamakatadir ve politik catismalar bu isbirligine engel olmayacaktir.

Tez alti bolumden olusmaktadir. Birinci bolum, giris olup, Rus ve Alman iliskisinin koklerini, her iki ulke hakkinda genel (politik, ekonomik, sosyal) bir gozlemi ve gunumuzde iki ulke arasindaki temel politik dinamikleri ele alan ikinci bolum tarafindan takip edilmektedir. Ucuncu bolumde; Almanya'nin enerji ihtiyaci, bu durumda Rusya'nin nasil bir rol ustlendigi ve politik sonuclari incelenmistir. Dorduncu bolum; 2000lerde itibaren Rus-Alman politik iliskilerine bakarken, Rusya'nin politik guvenilirligi konusundaki supheleri ele almistir. Besinci bolum, Rusya'nin Almanya pazarina bagimliligini ve ekonomik olarak kirilganligini incelemistir. Ayrica Rus gazina alternatif enerji teknolojileri ve Almanya icin ne kadar potansiyele sahip olduklari incelenmistir. Altinci bolum sonuc kismidir.

Anahtar Kelimeler: Rusya, Almanya, Enerji, İşbirliği, Bagimlilik

To My Lovely and Supportive Parents

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LIST OF ABBREVIATIONS

- RF Russian Federation
- EU European Union
- Bcm Billion Cubic Meters
- LNG Liquefied Natural Gas

CHAPTER I

INTRODUCTION

At the present time, dependency issue poses a great quarrel on Russian German relationship. Connected with the mutual energy trade, all paradigms of the relationship are under observation.¹ If, look at from the beginning of the cooperation, for many centuries, Russia and Germany enjoyed a deep interaction, efficacy and cooperation with each other in the political arena; it is as a foe or as an ally but consequently these two states had further interactions.² In our time; in 21st century, Russia once again rises as a power in the East while Germany has been the boost of the European Union organization for a long time. Today, both states may share parallel structures and an eye-catching concept appears to be a significant one in this relationship: energy.³ In the thesis, political dimensions between Russia and Germany have examined at the side of consequence of the energy trade. On the other hand, the basic argument follows the post 2000 incidents; political disputes, energy agreements, social interactions and assorted approaches to the Russo-German relationship.

¹ Tumanov, Sergey, Alexander Gasparishvili, and Ekaterina Romanova. "Russia–EU Relations, or How the Russians Really View the EU." *Journal of Communist Studies and Transition Politics* 27, no. 1 (2011): 120-41. Accessed December 16, 2014. http://dx.doi.org/10.1080/13523279.2011.544387.

² Rahr, Alexander. "Germany and Russia: A Special Relationship." *The Washington Quarterly* 30, no. 2 (2010): 137-45. Accessed August 19, 2014. http://dx.doi.org/10.1162/wash.2007.30.2.137

³ Zverev, A. "Economic Cooperation Between Russia and Germany." *Problems of Economic Transition* 55, no. 1 (2012): 51-62. Accessed November 22, 2014. http://dx.doi.org/10.2753/PET1061-1991550105.

1.1. Scope and Objective

Related with the argument on interdependence, this thesis will examine and superintend the Russian relations with Germany since the year 2000 along with the perspective of 5 points ; 1) energy vs. political dynamics, 2) examine how Russia and Germany had roots of interaction throughout the history and the current characteristics of these states, 3) causes of disputes between these states, 4) the depth of economical/energy dependence and how can it affect political consequences , 5) Skepticism on Russia's political motivation on foreign trade.

Contemporary dynamics are also observed through their effects to the relationship.Russia, after the collapse of the Soviet Union, once again struggles to create its own area of influence in Caucasus/ Eastern European region, and after 2000, 'charismatic' one-man leadership of ex-KGB officer Vladimir Putin puts this objective on the core of Russia's foreign policy. Boris Yeltsin's racking, despondent and inactive transformation period was replaced by Vladimir Putin's aggressive, domineering and purposeful Russia.⁴ However, righteously, the Western states watch the transformation of Russia with a spirit of high doubts because, besides the domestic Chechnya conflict, Russia involved in armed conflicts in Georgia and Ukraine over the past decade.⁵ With the nature of pragmatism in Russian foreign policies after 2000; energy may serve to a machiavellist purpose as a political weapon.

This issue attracts attention to the case of Germany in the global spectrum; because as a highly industrial country, according to World Bank's data, German imports 60 percent of its energy use.⁶ Russia and Germany cooperates on

⁴ Rutland, Peter. "Putin's Path to Power."*Post-Soviet Affairs* 16, no. 4 (2013): 313-54. Accessed November 17, 2014. http://dx.doi.org/10.1080/1060586X.2000.10641490.

⁵ Saakashvili, Mikheil. "Let Georgia Be a Lesson for What Will Happen to Ukraine."*The Guardian*, March 14, 2014. Accessed October 2, 2014. http://www.theguardian.com/commentisfree/2014/mar/14/georgia-lesson-for-ukraine-crimea-referendum-trick.

⁶ "Energy Imports, Net (% of Energy Use)." The World Bank. January 1, 2012. Accessed November 3, 2014. http://data.worldbank.org/indicator/EG.IMP.CON

the energy business and this cooperation has even more integrated after 2000s.⁷ Similar to other European countries, Germany also does not have plentiful alternatives to Russian natural gas flow to their soil.⁸ However, considering the recent aggressive strategies of Russia, this question haunt the global political arena that surrounded by mis doubts: Does Russia can politically intimidate Germany by abusing the energy necessities of this country?⁹

Constructively, Russia is not in socialist block anymore; integrated to capitalist market, Russia now is just a cogwheel in this capacious system. At the same time, these dynamics function for the relationship with Germany. While exporting energy sources, Russia imports various manufactured goods from Germany.¹⁰ On the economic frame, both markets have vulnerabilities and sort dependency to each other; both enjoy the benefits. In addition, various political clashes between Russia and Germany states that no political domination occurs in the context of association.

1.2. Literature Review

Due to the fact that, this thesis will investigate the relationship between Russia and Germany on the political and energy cooperation bases, this part will focus on the various perspectives on this issue. Point of interaction would be following by suspicions and dilemmas of this cooperation argued by scholars.

⁷ Zverev, A. "Economic Cooperation Between Russia and Germany." *Problems of Economic Transition* 55, no. 1 (2012): 51-62. Accessed November 22, 2014. http://dx.doi.org/10.2753/PET1061-1991550105.

⁸ Marsh, Sarah. "German Economy Minister Says No Alternative to Russian Gas."*Reuters*, March 28, 2014. Accessed September 5, 2014. http://www.reuters.com/article/2014/03/28/germany-russia-energy-idUSL5N0MP1H820140328.

⁹ Casier, Tom. "The Rise of Energy to the Top of the EU-Russia Agenda: From Interdependence to Dependence?"*Geopolitics* 16, no. 3 (2011): 536-52. Accessed June 22, 2014. http://dx.doi.org/10.1080/14650045.2011.520862.

¹⁰ Gay, Mark. "Russia-Germany." *The Moscow Times* 7, no. 49 (2014): 1-20.

Alexander Rahr, from Korber Centre for Russian and CIS affairs, takes attention to historical ties between Russian and Germany. According to Rahr, these countries "are destined to have a special relationship".¹¹ According to him, starting from the Soviet Times, both countries were important trade partners sided with the social interaction and goodwill. Rahr symbolized Germany as the bridge to the east. However, he gives credit to increasing skepticism about Russian in the Western world, but he adds Berlin will continue to be a constructive partner of Russia.¹²

Supporting the thesis of Alexander Rahr, Joost Kleuters from Rhine-Waal University, brings out the Ostpolitik of Germany towards Russia and explains how the constructivist approach leaded to these politics in the Cold War era. Kleuters stated:

Ever since Adenauer became Chancellor in 1949, the West German government considered itself the representative of all Germans, East and West. This was called the principle of 'sole representation' and part of the provisional West German constitution, referred to as the Basic Law.¹³

Therefore, Germany was not only seeking for political/economical cooperation with Russia but they have special cultural ties with the country throughout the history.

Besides the historical relationship, the economical necessities brought Russia and Germany in the same table. Simply Russia wants to sell gas and Germany needs gas. As an industrial country, Germany is lack of rich energy sources. Bendik Solum Whist, senior adviser at Ministry of Climate and Environment of Norway, defended the Germany's case is the most urgent one in the European Union. He explained the Nord Stream project with statistics:

¹¹ Rahr, Alexander. "Germany and Russia: A Special Relationship." *The Washington Quarterly* 30, no. 2 (2010): 137-45. Accessed August 19, 2014. http://dx.doi.org/10.1162/wash.2007.30.2.137

¹² Ibid.

¹³ Kleuters, Joost. "Between Continuity and Change: Ostpolitik and the Constructivist Approach Revisited." *German Politics* 18, no. 4 (2009): 519-35. Accessed May 10, 2014. http://dx.doi.org/10.1080/09644000903349424.

According to the 2007 IEA review of Germany, the country's annual gas need was then approximately 92 bcm, of which only 20% was of domestic origin. Russian gas supplies account for some 40% of the total- a share that has been increasing in recent years. Germany is indeed Russia's main partner among the old EU member states, and the annual volume of imported Russian gas, which was some 40 bcm in 2007, will within a few years exceed 50 bcm.¹⁴

Whist argues the natural causes of Russian German relationship and the form of symbiotic relationship binding both countries.

The factors of the relationship between these two countries can vary however, Christopher S. Chivvis, from Johns Hopkins School of Advanced International Studies, and Thomas Rid, from King's College London, declare that the vital factor in the contemporary Russian-German relationship is energy, especially natural gas. They also add that German is aiming to not just close diplomatic relations with Russia but helping the domestic consumption of Russia while shifting Russian market to more liberal and a reliable one. Germany wants to create a deep influence in the development of the Russia's, Chivvis and Rid support.¹⁵

There are also approaches from the business spheres regarding the effective reasons and paradigms of the Russian-German relationship. Michael Harms, chairperson of the German-Russian Chamber of Commerce, thinks that Russia and Germany complete each other in the economy sector. While using the energy sources of Russia in the industry, Germany, in return, assisting Russian economy in technological development. According to Harms, both side benefits from this trade and it is a result of interests for both Russia and Germany.¹⁶

In the matter of politics, Russia and Germany had various political clashes on recent time. Talking about the Germany's political dependence to Russia, policies of German government proved it wrong. Paterson, Foster and

¹⁴ Whist, Bendik Solum. "Nord Stream: Not Just a Pipeline An Analysis of the Political Debates in the Baltic Sea Region regarding the Planned Gas Pipeline from Russia to Germany." *Fridtjof Nansens Institutt*, 2008.

¹⁵ Chivvis, Christopher S., and Thomas Rid. "The Roots of Germany's Russia Policy."*Survival* 51, no. 2 (2009): 105-22. Accessed April 14, 2014. http://dx.doi.org/10.1080/00396330902860850.

¹⁶ Gay, Mark. "Russia-Germany." *The Moscow Times* 7, no. 49 (2014): 1-20.

Waterfield, from The Telegraph, wrote that Angela Merkel promised that Russia "will not get away with annexing Crimea as world powers agreed to impose targeted sanctions on senior figures close to Kremlin."¹⁷ Therefore, both states examine political influence on each other. Russia's aggressive policies did not get digest by Berlin, but were reacted hardly. Furthermore, in the relationship between Russia and Germany, Russia has its own economical vulnerability. Advocating the Achilles heel of the Russian economy, Clifford G. Gaddy, from The Brookings Institution, states Russia's economy is so dependent on energy exports that dramatic changes in the export can disturb the Russia's development.¹⁸ Gaddy appends: "It is becoming increasingly clear that Russia's oil sector has been and will for the foreseeable future continue to be the key to country's economic performance."¹⁹ In the relationship between Russia and Germany, energy consists of mutual dependency for both suppliers (Russia) and the markets (Germany).

Of course, there are also discordant views to these affirmative approaches on Russian- German cooperation. Mostly related to political actions of Russian government recently, some scholars declare that it creates a big risk for Germany for political intimidation through energy dependence. In addition, they argue the relationship is under danger due to political tension between these countries. According to David E. Powell, from Harvard University, Vladimir Putin's foreign policy was highly active and intense after coming to the office. Different from the previous governments, considering he was adamant on domestic and external problems. Missile problems with NATO also rekindle the response of Russian government in the foreign policy area.²⁰ Mainly the

¹⁷ Paterson, Tony, Peter Foster, and Bruno Waterfield. "Angela Merkel: Russia 'will Not Get Away' with Annexation of Crimea." *The Telegraph*, March 12, 2014. Accessed August 17, 2014. http://www.telegraph.co.uk/news/worldnews/europe/ukraine/10693400/Angela-

Merkel-Russia-will-not-get-away-with-annexation-of-Crimea.html.

¹⁸ Gaddy, Clifford. "Perspectives on the Potential of Russian Oil." *Eurasian Geography and Economics* 45, no. 5 (2004): 346-51. Accessed April 17, 2014. http://dx.doi.org/10.2747/1538-7216.45.5.346.

¹⁹ Ibid.

²⁰ Powell, David. "Vladimir Putin's Foreign Policy and the Western Response to It."*American Foreign Policy Interests* 22, no. 5 (2000): 15-38. Accessed October 18, 2014. http://dx.doi.org/10.1080/10803920.2000.10392065.

aggressive tone of Vladimir Putin has being notice from the Western world. The suspicions rose in the cooperation between Russia and Germany due to this Russia phobia in the West. Michael Ruhle, from NATO, approved this approach by saying;

Addressing the Russian Parliament on April 18,2014, to justify the annexation of the Crimea, President Putin stressed the humiliation that Russia had suffered as a result of the many promises broken by the West, including the promise not to enlarge NATO beyond the borders of a reunified Germany.²¹

The relations between Russian and West were on a big peril. Moreover, Germany, as a member of the Western world, was affected by this.

Encircled by skepticism, ISS Strategic Comments journal, argued that the Russian-Ukrainian gas dispute indicated the vulnerability of Germany alongside with Europe in the energy cooperation. According to journal, Russia's reliability was under question due to cutting of natural gas not only Ukraine but also indirectly Europe in a cold winter.²² Valentina Feklyunina, from University of Newcastle, also debates the reliability and risks of Russian partnership. She states that besides the arbitrary actions of Moscow, interdependence can be seen as advantage for Russia over Germany. Feklyunina also adds that, Germany often advocates the Russian interest in the EU; and unlike the most of the European Members, there is an influential pro-Russian lobby in Germany that affects the German foreign policy.²³

Another source of dubiousness on Russian-German cooperation was the response of German government to Russia on international disputes. Jennifer

²¹ Rühle, Michael. "NATO Enlargement and Russia: Discerning Fact from Fiction."*American Foreign Policy Interests: The Journal of the National Committee on American Foreign Policy* 36, no. 4 (2014): 234-39. Accessed November 18, 2014. http://dx.doi.org/10.1080/10803920.2014.947879.

²² Nicoll, Alexander, and Sarah Johnstone. "The Russian–Ukrainian Gas Dispute."*Strategic Comments* 15, no. 1 (2009): 1-2. Accessed August 17, 2014. http://dx.doi.org/10.1080/13567880902820276.

²³ Feklyunina, Valentina. "Russia's International Images and Its Energy Policy. An Unreliable Supplier?" *Europe-Asia Studies* 64, no. 3 (2012): 449-69. Accessed June 9, 2014. http://dx.doi.org/10.1080/09668136.2012.661923.

Yoder, from Colby College, explains that Germany was in the balancing position in 2008 Georgian War between West and Russia.²⁴ Therefore, that could be the influence of dependency to Russia on the political decision on international disputes.

The last case is about the energy sources and about how Russia uses enegy sources as a trump on the energy cooperation. Karen Smith Stegen, from Jacobs University Bremen, states that there are debates about if Kremlin uses its energy sources as political weapons. In the cooperation with Germany, there is a suspicion of political pressure to this country in return of natural gas flow through Nord Stream Pipeline.²⁵

Considering the above mentioned arguments, this thesis contends that even though there are various suspicions on it, the relationship between Russia and Germany has diverse particularities that is coming from the historical reason and shifted to political / energy mutual dependence contemporary which both states have benefits and influence over each other in this cooperation.

1.3. Argument

This thesis researches into the Russo-German relations since 2000s in the context of energy vs. political dynamic. Contrary to the views, that state Germany's energy dependence on Russia incurs a risk to prevent further cooperation due to Russia's aggressive policies²⁶, this thesis argues that Russo-German relations are characterized by interdependence, which benefits both actors

²⁴ Yoder, Jennifer A. "An Intersectional Approach To Angela Merkel's Foreign Policy." *German Politics* 20, no. 3 (2011): 360-75. Accessed March 17, 2014. http://dx.doi.org/10.1080/09644008.2011.606571.

²⁵ Stegen, Karen Smith. "Deconstructing the "energy Weapon": Russia's Threat to Europe as Case Study." *Energy Policy* 39, no. 10 (2011): 6505-513. Accessed October 14, 2014. doi:10.1016/j.enpol.2011.07.051.

²⁶ Feklyunina, Valentina. "Russia's International Images and Its Energy Policy. An Unreliable Supplier?" *Europe-Asia Studies* 64, no. 3 (2012): 449-69. Accessed June 9, 2014. http://dx.doi.org/10.1080/09668136.2012.661923.

in economic pragmatism and they exercise diplomatic influence over each other. Russia's policies in Eastern Europe and Germany's reactions to the growing Russian influence support this argument.

Throughout the Cold War era, Germany was one of the closest Western European states to Soviet Union (Russia) and they hand relatively a better affinity. 'Ostpolitik' of the West Germany is a perfect example to this special relationship and positive approach. The Treaty of Moscow signed in 1970 by Soviet Union and West Germany stated their desire and contribution to the international peace.²⁷ After 2000, Putin administration, parallel to these historical facts, sustained cooperation with Germany and sees it as a vital partner in the European Union organization.²⁸ Exclusively over the last decade, the core element in this cooperation is energy. In a symbiotic correlation, Russia (as a main energy producer) collates the need of Germany (hard industry giant). International Energy Agency annual (2012) report states that: "approximately %86 of Germany's natural gas demand is met with imports, only 14% is produced domestically...In 2010 the biggest import source was Russia which supplied %39 of natural gas imports..."²⁹ So the supply/demand characteristic of this relations function in the logical field.

On the other hand, mentioned previously, Russia and Germany is an example of symbiotic form; form of integration between these two countries limits the political conflicts that can result serious factions. This thesis defends the dependency level of Russia and Germany on the energy cooperation can create a constraint on political tread for both parties. The industrial production is still heavily dependent on crude oil and natural gas; although there are alternative energy researches such as shale gas technology however, they are still primitive

²⁷ Kleuters, Joost. "Between Continuity and Change: Ostpolitik and the Constructivist Approach Revisited." *German Politics* 18, no. 4 (2009): 519-35. Accessed May 10, 2014. http://dx.doi.org/10.1080/09644000903349424.

²⁸ Hadfield, Amelia. "EU-Russia Energy Relations: Aggregation and Aggravation."*Journal of Contemporary European Studies*16, no. 2 (2008): 231-48. Accessed August 22, 2014. http://dx.doi.org/10.1080/14782800802309953.

²⁹ "Oil and Gas Security: Emergency Response of IEA Countries." International Energy Agency. January 1, 2012. Accessed February 6, 2014. http://www.iea.org/publications/freepublications/publication/germanyoss.pdf.

and not functional.³⁰ Therefore, as long as natural gas and oil stay as the main fuel for industry, Germany will need Russia as a partner. At the same time, German (EU) market is a vital sphere for Russian energy source exports; thinking of Russia's economy rapid increase, they have to thank to 2008 oil price boom, which redounded enormous export revenues for Russia.³¹ As long as their economy is biased to single export material, the economy would be vulnerable to sudden price waves.

The dynamics between Russia and Germany often changes due to political climate. In fact, specific incidents created the dilemma of politics on the concept of clash of priorities. 1) In January 2007, Russia cut down the gas of Ukraine on a freezing winter to punish Kiev's pro-Western political attitude,³² 2) In 2008, Russia had a war with Georgia (again, a country governed by Western oriented Saakashvili) for South Ossetia region,³³ 3) it came on the scene that state owned energy giant Gazprom intimidated various countries on political motivations, ³⁴ 4) In 2014, Russia annexed Crimea (which is a part of Ukrainian soil) resulted with Western sanctions. ³⁵ On the German side, these incidents conceived doubt, discredit and repugnance; Angela Merkel, parallel with the

³⁰ "Natural Gas Reserves in Germany." Wintershall. March 1, 2014. Accessed July 11, 2014.

http://www.wintershall.com/uploads/user_pxbxconnector/pxbxrawdata/330/factsheet-heimische-erdgasf--rderungen.pdf.

³¹ Gaddy, Clifford. "Perspectives on the Potential of Russian Oil." *Eurasian Geography and Economics* 45, no. 5 (2004): 346-51. Accessed April 17, 2014. http://dx.doi.org/10.2747/1538-7216.45.5.346.

³² Nicoll, Alexander, and Sarah Johnstone. "The Russian–Ukrainian Gas Dispute."*Strategic Comments* 15, no. 1 (2009): 1-2. Accessed August 17, 2014. http://dx.doi.org/10.1080/13567880902820276.

³³ Karagiannis, Emmanuel. "The 2008 Russian–Georgian War via the Lens of Offensive Realism." *European Security* 22, no. 1 (2012): 74-93. Accessed November 9, 2013. http://dx.doi.org/10.1080/09662839.2012.698265.

³⁴ Kanter, James. "Lithuania Offers Example of How to Break Russia's Grip on Energy." The New York Times. October 27, 2014. Accessed November 15, 2014. http://www.nytimes.com/2014/10/28/business/energy-environment/lithuania-offersexample-of-how-to-break-russias-grip-on-energy.html?_r=0.

³⁵ Biersack, John, and Shannon O'Lear. "The Geopolitics of Russia's Annexation of Crimea: Narratives, Identity, Silences, and Energy." *Eurasian Geography and Economics*, 2014. Accessed December 17, 2014. http://dx.doi.org/10.1080/15387216.2014.985241.

Western political reactions, had to show some political measurements against Russia.³⁶

Nevertheless, Russia would see Germany as a political ally as much as an economic one. A strong Germany will also be an upholder to Russian global political discourses while Germany also enjoys this cooperation with the energy imports. Giant pipeline projects such as Nord Stream³⁷ even create more integration for mutual collaboration; it would be exorbitant to claim that political disputes will totally harm Russo-German cooperation.

In short, this thesis explains that Russo-German relations saw a dramatic integration after 2000s³⁸; especially in the energy collaboration. Although there are some political disputes, the context is highly integrated and beneficial for both parties. On the other hand, there are some suspicions that if Germany can be politically enthralled to Russia due to energy dependency; but Russia is also dependent to German market with the nature of mono-crop economy that creates a high risk to Russian economy.³⁹ Besides, the various political conflicts between these two states indicate this allegation. Accordingly, while Germany is suspicious of Russia's aggressive political actions, both countries would prefer to stay in close cooperation for mutual interests.

³⁶ Paterson, Tony, Peter Foster, and Bruno Waterfield. "Angela Merkel: Russia 'will Not Get Away' with Annexation of Crimea." *The Telegraph*, March 12, 2014. Accessed 17, 2014.

http://www.telegraph.co.uk/news/worldnews/europe/ukraine/10693400/Angela-Merkel-Russia-will-not-get-away-with-annexation-of-Crimea.html

³⁷ Whist, Bendik Solum. "Nord Stream: Not Just a Pipeline An Analysis of the Political Debates in the Baltic Sea Region regarding the Planned Gas Pipeline from Russia to Germany." *Fridtjof Nansens Institutt*, 2008.

³⁸ Powell, David. "Vladimir Putin's Foreign Policy and the Western Response to It."*American Foreign Policy Interests* 22, no. 5 (2000): 15-38. Accessed October 18, 2014. http://dx.doi.org/10.1080/10803920.2000.10392065.

³⁹ Cukrowski, Jacek. "Russian Oil: The Role of the Sector in Russia's Economy." *Post-Communist Economies* 16, no. 3 (2007): 285-96. Accessed July 16, 2014. http://dx.doi.org/10.1080/1463137042000257528.

1.4. Research Method

In the analysis of this thesis, a qualitative research technique has been used together with addition of quantitative statistics and wide range literature review. Parallel to the topic of this thesis, it has been focusing on sources since Soviet Union but mostly since 2000s; research papers, articles, newspapers and books have been availed.

1.5. Organization of the Thesis

This thesis is composed of five chapters. The first chapter is the introduction, which covers the scope and objective, the argument and the research method in the thesis. In the second chapter, it has a broad look to Russia and Germany as states and their point of interactions in the past. On the other hand, there is a focus on the sources of conflicts between Russia and Germany; geopolitical and ideological.

In the third chapter, the energy necessity of Germany and the intellectual approaches to Russian partnership in this energy pursuit had researched. Even though Germany is a highly industrialized country, the country is lack of enough natural resources. Russia, as a regional energy provider, created integrated energy cooperation with Berlin.⁴⁰ On the other hand, it asks the question if the integrated energy trade with Russia means 'too much dependency' to Russia. Furthermore, the chapter focuses on the Nord Stream pipeline project, its features and the beneficial outcomes for both states.

The fourth chapter explains the political relations between Russia and Germany since 2000s and suspicious characteristic of it according to Western

⁴⁰ Fuchs, Richard. "Germany's Russian Energy Dilemma." *Deutsche Welle*, March 29, 2014. Accessed July 6, 2014. http://dw.de/p/1BYGr.

approaches. Related to energy dependency to Russia, various scholars and politicians state Germany may be 'too soft' to Russia's arbitrary political actions.⁴¹ In the chapter, Crime incident is covered and Angela Merkel's political/economical opposition against Russia's for Crimea's annexation. In addition, Gazprom's (Russian energy giant) actions in Europe will have been investigating and the chapter will try to answer if Kremlin uses Gazprom as a political weapon.

The fifth chapter studies the alternative energy methods to Russian gas and the possibility of new methods, such as shale gas and liquefied natural gas to compete with natural gas. In addition, Russia's dependence to German market is questioned in this chapter; and if Russia has economic and political vulnerability to Germany. The last chapter is the conclusion chapter.

⁴¹ "Germany's Dependence on Russian Gas Poses Risks for Europe - Polish PM."*Reuters*, March 10, 2014. Accessed May 4, 2014. http://www.reuters.com/article/2014/03/10/poland-germany-ukraineidUSL6N0M71JA20140310.

CHAPTER II

CHARACTERISTICS OF RUSSIA AND GERMANY AND BILATERAL RELATIONS

The thesis focuses on the special relationship between Russia and Germany and the political/economical consequences of this relationship. Trying to understand relationship, the historical roots should be investigated for a broad understanding of today's situation. Furthermore, the domestic characteristics of both states often show the nature of pragmatism in the cooperation. Coming from the old times, Russo-German interaction shifted its shape due to new necessities. Contemporary, energy forms a vital for both states' structure; Russia's vest energy sources match with the Germany's energy necessities.⁴²

On the other hand, mentioned in the thesis's argument; collided with the political suspicions, looking at the Russo-German energy trade is going to help to analyze the political consequences of it. In this chapter, current political disputes between Russia and Germany will be covered and these disputes verify the states' mutual political influence on each other in this relationship. International disputes, geopolitical clashes and economical difficulties all created a table of opposition for Russian and German approaches.

2.1. Russo-German Interaction in the Past

To observe the current relationship and the building stones of this relationship, it is beneficial to look at the past between Russia and Germany. The special relationship of these countries form a vital part of the thesis to explain the

⁴² "U.S. Energy Information Administration - EIA - Independent Statistics and Analysis." Russia. November 26, 2013. Accessed December 15, 2013. http://www.eia.gov/countries/cab.cfm?fips=rs.

political/economical cooperaton tradition. Throughout the history, Russia and Germany were always interacted with each other. Since the date of the Russian Empire, both political entities belonged to the European system in the matter of politics and economy. After the modernization era of Peter the Great and Catherine the Great in the eighteenth century, Russia strengthened its position in the European state system.⁴³ Yet more, this effect can be observed in the Russian literature; that the Russian elites have deep German culture adoration. In the nineteenth century, German writers and thinkers were mesmerized by Russia and "die russische Seele (Russian soul)" and they found this phenomenon: "deep, sensual, melancholic and patriotic."⁴⁴ Besides that, crown families were related to each other; famous Catherine the Great was a Prussian blooded monarch.⁴⁵ Nevertheless, if we want to understand this economical integration between Russian and Germany, there is a mere need to focus on historical clues that two bloody world wars could not able to erase.

Besides the cultural associations, Russian and German empires showed also economic manners:

Russia was highly dependent on Western imports of manufactured goods, largely from Germany. Raw materials, such as cotton, wool, silk, and nonferrous metals, comprised about 50 percent of all imports. Exports were dominated by grains and other foodstuffs (55% of the total). Russia was the world's largest grain exporter, supplying Western Europe with about one-third of its wheat imports and about 50 percent of its other grains.⁴⁶

 ⁴³ Rich, Paul B. "Russia as a Great Power." Small Wars & Insurgencies 20, no. 2 (2009):

 276-99.
 Accessed
 December
 24,
 2013.

 http://dx.doi.org/10.1080/09592310902975398.
 24,
 2013.

⁴⁴ Chivvis, Christopher S., and Thomas Rid. "The Roots of Germany's Russia Policy."*Survival* 51, no. 2 (2009): 105-22. Accessed April 14, 2014. http://dx.doi.org/10.1080/00396330902860850.

⁴⁵ Ralph M. Cleminson and G. I. Vzdornov. "Romanov, House of." *Grove Art Online*. *Oxford Art Online*. Oxford University Press, accessed January 5, 2014, http://o-www.oxfordartonline.com.library.metu.edu.tr/subscriber/article/grove/art/T073184pg3.

⁴⁶ Gayle, Carol; Moskoff, William. "Economy, Tsarist." Encyclopedia of Russian History. 2004. *Encyclopedia.com.* (March 2, 2014).http://www.encyclopedia.com/doc/1G2-3404100398.html

Except the statistical numbers, Russian economy was highly influenced by German ideologies and schools that created a bond of economic method. Marxist ideology was one of the most significant influences which was born in Germany and had widespread, had a chance to be practiced in Russia. In addition, Marxism was not the only efficacy to Russian economy. According to David Darrow, "Russian zemstvo (local government) statisticians were certainly influenced by the German historical school."⁴⁷ Promoting his ideas, F.H. Steckenwalt continued, "German professors also made a substantial contribution to staffing schools and universities in Tsarist Russia and many educated Russians had attended German universities."⁴⁸ To sum up, Russian Empire and Germany collaborated in various economic dynamics back in time that may construct basis of the current cooperation between these states.

There were also some disputes and conflicts that disturbed the relationship between Russia and Germany. Perhaps the most notable one was the catastrophic Second World War that created an enormous devastation, killed millions of people in continent Europe and in the world. Germany, which ruled under the Nazi regime, was in the different pacts with the Soviet Union; in result Germany and Austria lost 6.3 million people while Soviets, as an enormous tragedy of war history, lost almost 43 million people.⁴⁹ This incident naturally created a big trauma both societies. In fact, according to Chivvis and Rid, Germany still feels a 'historical responsibility' to Russia. National Socialism and Holocaust are still major points of influence in German foreign policy.⁵⁰ In this matter, Russia was the maybe the biggest victim of Nazis so German politicians have it in their conscious while having bilateral dialogue.

⁴⁷ Barnett, Vincent. "Historical Political Economy in Russia, 1870–1913." *The European Journal of the History of Economic Thought* 11, no. 2 (2006): 231-53. Accessed April 6, 2014. http://dx.doi.org/10.1080/0967256042000209260.

⁴⁸ Ibid.

⁴⁹ Sokolov, Boris. "How To Calculate Human Losses During The Second World War."*The Journal of Slavic Military Studies* 22, no. 3 (2009): 437-58. Accessed March 16, 2014. http://0-

www.tandfonline.com.library.metu.edu.tr/doi/pdf/10.1080/13518040903084857.

⁵⁰ Chivvis, Christopher S., and Thomas Rid. "The Roots of Germany's Russia Policy."*Survival* 51, no. 2 (2009): 105-22. Accessed April 14, 2014. http://dx.doi.org/10.1080/00396330902860850

In the Cold War period, Europe's division to bipolar world and ironically, Germany was symbolzing the heart of division. The Berlin Wall symbolized the clash ideologies, interests and politics for many years. Supporting the special relationship with Russia, West Germany had its approach to Soviet Union with an attitude called: The Ostpolitik. Joost Kleuters explains this phenomenon with the ideology of social constructivists, according to him:

...to social constructivists, West German Ostpolitik, as implemented under the social-liberal government of Chancellor Willy Brandt in the early 1970s, is an excellent example of norms and identities influencing foreign policy. According to constructivists, Ostpolitik involves a continuous social process in which decision-makers are increasingly guided by norms such as 'peace', 'reconciliation' and 'Europeanness'.⁵¹

Consequently, Germany's transformation to a democratic state with the integration policy of the European Union after the Great War, helped to create a positive approach to Soviet Union backed up with liberal values and historical reminiscence. The attitude of West Germany verified that they were different from other Western European states in the sake of Russia.

To sum up, Russia and Germany are no strangers to each other throughout the history, so the relation's dynamics today were inherited from a long integration process. There have been disputes and there have been agreements with these two states; however both culturally and politically they had some special kind of relationship.

2.1.1. Russia

Russia's political and economical dynamics are highly related to featuers of the country. A broad look to this country can give a clue about current debates

⁵¹ Kleuters, Joost. "Between Continuity and Change: Ostpolitik and the Constructivist Approach Revisited." *German Politics* 18, no. 4 (2009): 519-35. Accessed May 10, 2014. http://dx.doi.org/10.1080/09644000903349424.

and the nature of its relationship with Germany. Covering Russia requires a high vigilance and a detailed orientation; because we are talking about the largest country in the world, "reaching a huge area from Gulf of Finland to the Pacific and from the Arctic to the Black and Caspian Seas, covering 11 time zones."⁵² In a large landmass like this, normally, the country has various and rich natural resources, mines that put them in an advantageous economic position.⁵³ Politically, the Vladimir Putin and his fellow politician Dmitry Medvedev administration since 2000 govern Russia; Putin, as highly controversial leader, had a big success to take out Russia from the traumatic 90s but he is often criticized for authoritarian, undemocratic and aggressive policies. Besides, Russia under the Putin rule, struggles to be a world power again and getting back their political influence.⁵⁴ The recent conflicts in the region showed the sign of vacuum of power in the global politics. Furthermore, the Russian economy faced a dramatic betterment thanks to the rise in the oil prices⁵⁵ and Vladimir Putin had a chance to take advantage of this revenue.

Entitling the energy supplier status to the German market, the country contains various assets. Russia is one of the biggest natural resource exporters in the world, according to U.S Energy Information Administration data; "Russia is the second-largest producers of dry natural gas and third-largest fuels producer in the world. Russia holds the largest natural gas reserves in the world, and is the second-largest producer of dry natural gas."⁵⁶ Moreover, a significant point is to

⁵² V. Ya. Petrukhin, et al. "Russia." *Grove Art Online. Oxford Art Online*. Oxford University Press, accessed January 2, 2015, http://o-www.oxfordartonline.com.library.metu.edu.tr/subscriber/article/grove/art/T074586.

⁵³ U.S. Energy Information Administration - EIA - Independent Statistics and Analysis." Russia. May 30, 2013. Accessed April 2, 2014. http://www.eia.gov/countries/country-data.cfm?fips=RS.

⁵⁴ Casula, Philipp. "Sovereign Democracy, Populism, and Depoliticization in Russia."*Problems of Post-Communism* 60, no. 3 (2013): 3-15. Accessed December 31, 2014. http://dx.doi.org/10.2753/PPC1075-8216600301.

⁵⁵ Gaddy, Clifford. "Perspectives on the Potential of Russian Oil." *Eurasian Geography and Economics* 45, no. 5 (2004): 346-51. Accessed April 17, 2014. http://dx.doi.org/10.2747/1538-7216.45.5.346.

⁵⁶ U.S. Energy Information Administration - EIA - Independent Statistics and Analysis." Russia. May 30, 2013. Accessed April 2, 2014. http://www.eia.gov/countries/country-data.cfm?fips=RS.

see Russia's economy is highly dependent to energy exports, which makes them vulnerable to sudden prices changes. According to IEA again; "Russia's economy is highly dependent on its hydrocarbons, and oil and gas revenues account for more than 50% of the federal budget revenues".⁵⁷ Therefore, the natural resources are a vital instrument for Russian economy and politics that make them often famous for pressure mechanism of Moscow. On the other hand, the percentage of energy sources' revenue on the budget creates a big peril for the stability of the Russian economy. Ben Judah (the author of Fragile Empire) backed up this argument; saying that: "Putin looks strong now, but his Kremlin is built on the one thing Russia he doesn't control: the price of oil."⁵⁸

Most of the energy produced in, and exported from Russia seems like to be controlled by the Russian government and it can be the 'bluff 'of the government in the foreign policy.⁵⁹ Controlling of the gas, oil exports are not the biggest issue in the global politics. The startling news is Russia's increasing aggressive attitude in relations with other countries; using energy as an exigent too to manipulate other states' policies.⁶⁰ On the other hand, massive income from energy exports helped Russian army to be renovated and strengthened for modern military tactiques.⁶¹ All these recent developments and political motivation of Russia leave Europe in dubious since various countries in Europe including Germany are highly dependent on Russian energy sources.

⁵⁷ Ibid.

⁵⁸ Matthews, Bill Powell Owen. "As in the Cold War, Russia Is Vulnerable on Energy."*Newsweek*, April 8, 2014. Accessed November 17, 2013. http://www.newsweek.com/2014/04/18/cold-war-russia-vulnerable-energy-248103.html.

⁵⁹ Nielsen, Rachel. "Gazprom Flops in Transparency Ranking." *The Moscow Times*, July 10, 2012. Accessed April 3, 2014. http://www.themoscowtimes.com/business/article/gazprom-flops-in-transparency-ranking/461951.html.

⁶⁰ Fule, Stefan. "Russian Pressure on Eastern Partnership Countries, Destabilisation of Eastern Ukraine." European Commission. April 16, 2014. Accessed January 22, 2015. http://europa.eu/rapid/press-release_SPEECH-14-331_en.htm.

⁶¹ "Russian Defense Budget to Hit Record \$81 Billion in 2015." *The Moscow Times*, October 16, 2014. Accessed November 9, 2014. http://www.themoscowtimes.com/business/article/russian-defense-budget-to-hit-record-81bln-in-2015/509536.html.

Secondly, the political climate shows the sign of authoritasition, which imposes a risk in the biletarel relations with Germany; ideology is an essential stone of collective working. Russia seems to transform an authoritarian one after 2000 with the presidency of Vladimir Putin; Putin, a former KGB office, rules the country with an absolute state monitoring.⁶² Before his administration, the collapse of the Soviet Union created an absence of management in the country; Russian oligarchs filled this gap with looting the ex-Soviet industrial facilities. Furthermore, these business titans were controlling the mass media with intense manipulation. The public view on oligarchs was highly downbeat; considering them responsible for the Russia's pernicious capitalism and corruption in the Russian state.⁶³

This group was literally sucking the blood of Russia and getting the revenues without allocating it to the society; they were the symbol of corruption of the state in the 90s. Putin's first target to battle was the oligarchs; in one of his interviews in 2006, he declared his war with these words:

Back in the mid-1990s oligarchic groups substituted for government in Russia. They were elected to parliament and lobbied laws beneficial for specific financial and industrial groups instead of the society. They also ensured fulfillment on these laws through their representatives in high places. I do not think this meets the public interest.⁶⁴

His war concluded to expropriation of big energy companies, TV channels and industrial facilities; the oligarchs who opposed him was either exiled or jailed for long terms.⁶⁵ This struggle was a beneficial step for recovering the power of the state in Russia, and because oligarchs were corrupt, it did not affect Putin's image negatively. However, some other undemocratic practices against opposition

65 Ibid.

⁶² Rutland, Peter. "Putin's Path to Power."*Post-Soviet Affairs* 16, no. 4 (2013): 313-54. Accessed November 17, 2014. http://dx.doi.org/10.1080/1060586X.2000.10641490.

⁶³ Yakovlev, Andrei, and Elena Avraamova. "Public Attitudes toward Business in Contemporary Russia: Influence of Economic Policy and Opportunities for Corporate Response." *Post-Communist Economies* 20, no. 3 (2008): 263-86. Accessed April 3, 2014. http://dx.doi.org/10.1080/14631370802281373.

⁶⁴ Sakwa, Richard. "Putin and the Oligarchs."*New Political Economy* 13, no. 2 (2008): 185-91. Accessed April 19, 2014. http://dx.doi.org/10.1080/13563460802018513.

movements, human right violations were seen with astonishment from the Western perspective. Incidents such as the arresting of the opposition music group 'Pussy Riot' in 2014 are symbolizing the hardening rule of Vladimir Putin.⁶⁶

To conclude, Russia is an enormous country with rich natural resources and a geopolitical power however they are suffering a phase of trauma that collapse of the Soviet Union created. After 2000, Vladimir Putin government, with the help of global energy prices, promoted Russia's economy and political power. On the other hand structural problems and social inequality drags Russia down comparing to Western liberal democracies. Furthermore, mildly authoritarian rule of Putin government, does not hesitate to use energy sources as political motivated weapons.

2.1.2. Germany

Our other actor, Germany, contains some differences with Russia. On the other hand, these differences may be the reason of disputes and cooperation at the same time supporting the thesis' symbiotic relationship argument. Germany, constructed with economic progress and social welfare, is one of the centers of the European Union and the Western world. After the catastrophic Second World War, the country was rebuilt from ashes, transformed a state today with integrated democratic values, and backed up with an advanced industrial production.⁶⁷ Politically, CDU leader Chancellor Angela Merkel is in the office since 2005.⁶⁸ On

⁶⁶ "Pussy Riot Member among Protesters Arrested in Moscow." *BBC News*, December 31, 2014. Accessed January 1, 2015. http://www.bbc.com/news/world-europe-30644574.

⁶⁷ Leick, Romain, Matthias Schreiber, and Hans-Ulrich Stoldt. "Out of the Ashes: A New Look at Germany's Postwar Reconstruction." *Der Spiegel*, August 10, 2010. Accessed February 5, 2014. http://www.spiegel.de/international/germany/out-of-the-ashes-a-new-look-at-germany-s-postwar-reconstruction-a-702856.html.

⁶⁸ "Cabinet." Federal Government of Germany. Accessed February 6, 2014. http://www.bundesregierung.de/Webs/Breg/EN/FederalGovernment/Cabinet/_node.ht ml.

the other hand, the country has limited energy sources to provide for hungry industry; that makes them dependent on energy imports.⁶⁹

Observing the industrial numbers, Germany consumes the largest energy volume in Europe and the eighth in the worldwide. In addition, German economy is the fourth largest economy in the world evaluated with the gross domestic product (GDP).⁷⁰ The country has a developed economy and ongoing industrial production. Differently from Russia, they do not have structural problems but they are lack of raw resources and that makes them dependent to imports. This conjuncture supports the economical necessetties of the current relationship; the pragmatic approaches from both states can sustain the cooperation free from the political disputes.

⁶⁹ Röhrkasten, Sybille, and Kirsten Westphal. "Energy Security and the Transatlantic Dimension: A View from Germany." *Journal of Transatlantic Studies* 10, no. 4 (2012):
328-42. Accessed February 21, 2014. http://dx.doi.org/10.1080/14794012.2012.734669.

⁷⁰ "U.S. Energy Information Administration - EIA - Independent Statistics and Analysis: Germany." U.S. Energy Information Administration (EIA). January 1, 2013. Accessed July 17, 2014. http://www.eia.gov/countries/country-data.cfm?fips=gm.

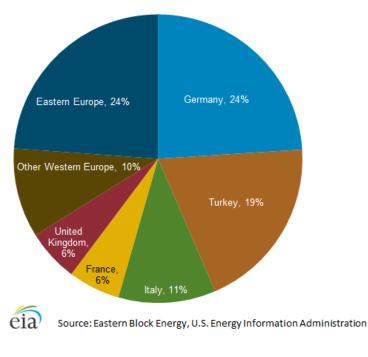


Figure 1: Germany's Natural Gas Import from Russia

As we can see above, Germany is the biggest customer of Russian natural gas flow in the among the Western European countries. Their relationship flows from the both countries' supply / demand characteristics.

Naturally, government changes have an effect on the cooperation with Russia. Since 2000s, two political figures were efficient in the German political arena; Gerhard Schroeder and Angela Merkel.⁷¹ Especially Gerhard Schroeder was really active to sustain a close cooperation with Russia. He had some kind of an intermediary role between West and Russia; after 2000, Putin's proposal for working together with Europe and NATO was warmly welcomed by Schroder and

⁽Source: "U.S. Energy Information Administration - EIA - Independent Statistics and Analysis." Russia. November 26, 2013. Accessed December 15, 2013. http://www.eia.gov/countries/cab.cfm?fips=rs.)

⁷¹ "Chancellery." Bundeskanzlerin. Accessed February 26, 2014. http://www.bundeskanzlerin.de/Webs/BKin/EN/Chancellery/Timeline_Federal_Chancell ors_since_1949/timeline_federal_chancellors_since_1949_node.html;jsessionid=B6C8 D45C4D9C2FEE296044F801EACF5F.s2t2.

the Chancellor added the idea of strategic partnership with Russia.⁷² After the 9/11, Russia and the West enjoyed a temporary honeymoon in the new political context and Germany was also in this ship. Angela Merkel era included more tensions with Russia; even though mutual cooperation continued, serious disputes disturbed this relationship. German political quantitative shows parallel lines the European Union core values. People experience widespread human rights and freedom in the country. According to Freedom House's 2014 report, Germany has the 'free' country status with scoring the best possible points in freedom rating, civil liberties and political rights.⁷³

To sum up, Germany combines high economic production with intense democratic views; they are not only of the European Union's but one of the world's most advanced states. Besides the political advancements, high-level industrial production point out Germany in the world political order. On the other hand, despite industrial density, the country requires energy imports to sustain this development; this is where Russia and Germany meets in benefits' exchange.

2.2. Dynamics of Bilateral Relations

Characteristics and the past of Russia and Germany point out the uniqueness of the relationship. On the other hand, the conflicts between Russia and Germany are significant to understand the political climate. Because, mutual influence is dependent on the peculiarity of these conflicts. The listed conflits in this section are to imply non-existence of political domination one state to another. Russia and Germany had various conflicts and wars throughout the history; besides their cultural, social interactions, there were often times that they had a

⁷² Powell, David. "Vladimir Putin's Foreign Policy and the Western Response to It."*American Foreign Policy Interests* 22, no. 5 (2000): 15-38. Accessed October 18, 2014. http://dx.doi.org/10.1080/10803920.2000.10392065.

⁷³ "Germany." Freedom House. January 1, 2014. Accessed November 3, 2014. https://freedomhouse.org/report/freedom-world/2014/germany-0#.VKf7sSuUeSo.

clash of interests.⁷⁴ Today they have been mostly suffering from political and ideological differences. In addition to this, Russia's aggressive actions on Caucasia and Ukraine created a question mark on Germans' minds. Jennifer Yoder states in her article that Angela Merkel does not feel comfortable about Vladimir Putin's ambitious agenda for the post-Soviet space would create unnecessary tensions when the Western states needs Russia as a strategic ally in the global politics.⁷⁵ Besides this, Russia's way of controlling energy companies as a political trump creates unrest in Germany and other EU countries. Especially Gazprom's deals show no parallelism with the transparency of German economical regulations.⁷⁶

The affinity between Vladimir Putin and Angela Merkel is not match to close relationship between Putin with her predecessor Gerhard Schroder; this feature actually gives an idea for tensioning disputes in recent years. Merkel, as an East German, continues the Russian dialogue with complete vigilance and ironically Russia is administrated by an ex KGB officer who worked in East Germany for years.⁷⁷ Alexander Rahr supports, because Merkel was born in East Germany, she is skeptical about democratic views and human rights practices of Russia. He adds that the glorious and stupendous days of German-Russian energy alliance of the Schroeder is over. Merkel's priority is West and European Union instead of the East.⁷⁸ Even though she may have some prejudices to Russia, the

⁷⁴ Timmins, Graham. "German–Russian Bilateral Relations and EU Policy on Russia: Between Normalisation and the 'Multilateral Reflex'." *Journal of Contemporary European Studies* 19, no. 2 (2011): 189-99. Accessed March 15, 2014. http://dx.doi.org/10.1080/14782804.2011.580907.

⁷⁵ Yoder, Jennifer A. "An Intersectional Approach To Angela Merkel's Foreign Policy." *German Politics* 20, no. 3 (2011): 360-75. Accessed March 17, 2014. http://dx.doi.org/10.1080/09644008.2011.606571.

⁷⁶ Nielsen, Rachel. "Gazprom Flops in Transparency Ranking." *The Moscow Times*, July 10, 2012. Accessed April 3, 2014. http://www.themoscowtimes.com/business/article/gazprom-flops-in-transparency-ranking/461951.html.

⁷⁷ Sarotte, Mary Elise. "Putin's View of Power Was Formed Watching East Germany Collapse." *The Guardian*, October 1, 2014. Accessed October 15, 2014. http://www.theguardian.com/commentisfree/2014/oct/01/putin-power-east-germany-russia-kgb-dresden.

⁷⁸ Rahr, Alexander. "Germany and Russia: A Special Relationship." *The Washington Quarterly* 30, no. 2 (2010): 137-45. Accessed August 19, 2014. http://dx.doi.org/10.1162/wash.2007.30.2.137.

thesis argues that Angela Merkel will put Russia on the top her agenda due to trade relations and the geopolitical conflicts in the Eastern Europe is serious for European Union's safety. Russia can be watched with skepticism but cannot be ignored by Germany. On the other hand, Vladimir Putin is a pragmatic leader, and he approaches to Germany alongside the European Union. Western Europe was pro-American throughout the Cold War and Putin has his chance now to create political/economic ties with Europe. As the de- facto leader of the European Union, Germany's case requires even more attention for Putin. "Putin does not want to go down in history as the Kremlin leader who lost Europe for Russia. He thus could be expected to strike a bargain with the EU on natural gas in order to encourage a more constructive agenda."⁷⁹ The political climate is similar to a poker game between Russia-Germany; they are on the same table, seeing their bluffs but no one wants to leave the table and give up the benefits.

2.2.1. Georgian Conflict

After the 2000s, Russia and Germany found themselves in separate camps on international armed conflicts. These conflicts had the role of exposing the political influence of Russian and Germany on each other. The first dispute to cover is the Georgian War in 2008, Russia's aggressive attitude in the Caucasus shocked the world. The main goal of the Russian military in Georgia was to take peremptory control of Abkhazia and South Ossetia and in this five-day war, 10,000 Russian soldiers headed to South Ossetia and some 9000 to Abkhazia.⁸⁰ This was an open intervention of the soil that under Georgian rule; Vladimir Putin was practicing Russia's pivotal moves in the region. The reason behind it was overtly political

⁷⁹ Ibid.,p,144

⁸⁰ Pallin, Carolina Vendil, and Fredrik Westerlund. "Russia's War in Georgia: Lessons and Consequences." *Small Wars & Insurgencies* 20, no. 2 (2009): 400-24. Accessed January 16, 2014. http://dx.doi.org/10.1080/09592310902975539.

and it was a punishment for Georgia's pro-Western leader Saakashvili; glowing days between the United States were over for Russia.⁸¹

In that time there was open criticism to Germany that it was not responding clearly to Russia's military intervention. Mike Bowker from University of East Anglia supported that after the incident, US and UK were gave a solid reaction to Russia while Western Europe's reaction leaded by Germany and France was weak covered with cautious. Furthermore, it is been reported Angela Merkel disliked the personality of Saakashvili and his carefree behaviors. According to Merkel, the war was not only Russia's fault but also the consequence of politics of US, Russia and Georgia.⁸² On the other hand, a New York Times article included the comments of Dietmar Studemann (a former German ambassador to Ukraine) stating:

Merkel has been very careful not to have Berlin become a mediator in the crises in Georgia. I can understand that. But on the other hand the EU has been very slow and late in taking the Caucasus seriously. What is happening in Georgia is a lesson for the European. They must become involved from the beginning and not leave it up to the regional powers.⁸³

There was a big pressure of the United States in that time, which US wants the ultimate support of Germany and the European Union in the Georgia case.

However, Germany is a different state than the United States and some other NATO members and they have different dynamics and political manners. Angela Merkel was not ignoring the Russia's responsibilities in Georgia and Germany was not happy about the armed conflict. Just to mention; German had chosen to use the language of diplomacy more efficiently. In her report for the

⁸¹ Lefebvre, Stéphane, and Roger N. Mcdermott. "Intelligence Aspects of the 2008 Conflict Between Russia and Georgia." *The Journal of Slavic Military Studies* 22, no. 1 (2009): 4-19. Accessed July 23, 2014. http://dx.doi.org/10.1080/13518040802695225.

⁸² Bowker, Mike. "The War in Georgia and the Western Response." *Central Asian Survey* 30, no. 2 (2011): 197-211. Accessed September 11, 2014. http://dx.doi.org/10.1080/02634937.2011.570121.

⁸³ Dempsey, Judy. "Merkel and Georgia: The Pressure's on Her." New York Times, August 20, 2008. Accessed April 6, 2014. http://www.nytimes.com/2008/08/20/world/europe/20ihtletter.1.15461074.html?pagewanted=all&_r=0.

Australian Parliament, Nina Markovic gave some background details about the Germany's manners in that time; she stated Germany pushed for a diplomatic, peaceful and durable solution for Georgian conflict.⁸⁴ Furthermore, Angela Merkel reported her infirmity to her Russian colleagues various times. She and Medvedev had conflict about Russia's War on Sochi Talks in 2008. Angela Merkel told: "to say that I found some of Russia's actions disproportionate and in particular think the presence of Russian troops in Georgia proper is not sensible. Russian troops should withdraw from central areas in Georgia."⁸⁵ Medvedev answered her immediately, stating: "If our peacekeeping troops and our citizens are attacked, we will respond in the future in the same way that we have responded. Let there be no doubt about this."⁸⁶

There was a reaction from Germany and they had disunities on this issue but the style is more diplomatic. That could lead to a criticism of Germany on international arena for being soft on Russia. Angela Merkel is aware of the Russia's aggression in the Caucasus and Russia was ready for a conflict with the West. However, the crisis did not create a deep impact on Russo-German relations.

2.2.2. Energy Security

Energy security is a vital part of the energy cooperation between Russia and Germany. Similar to political disputes, energy security holds a place for a potential grievance throughout the relationship. Russia and Germany share an integrated cooperation on energy trade; agreements, pipelines and mutual assets aim for the continuity of this trade. Especially after 2001, Schroeder and Putin

⁸⁴ Markovic, Nina. "Behind the Scenes of the Russia-Georgia Conflict." – Parliament of Australia. September 17, 2008. Accessed July 29, 2014. http://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_ Library/pubs/BN/0809/RussiaGeorgiaConflict.

⁸⁵ "Merkel, Medvedev Clash Over Russia's War in Sochi Talks." *Deutsche Welle*, August 15, 2008. Accessed February 2, 2014. http://www.dw.de/merkel-medvedev-clash-over-russias-war-in-sochi-talks/a-3567243.

struggled for even closer relations between these countries.⁸⁷ However, the conflicts that Russia had in the Caucasus and Eastern Europe taught that, Russia does not hesitate to use the energy card to intimidate political challenges. This situation questioned the reliability and security of Russian gas flow to Germany and if it creates considerable risks.

The dependency of Germany to Russian gas is often discussed on the political arena; and now the security issue is on the table. Rohrkasten and Westphal explain that Russian reliability can be problematic:

...mid- and long-term challenges for energy security are identified in the oil and gas markets. Overall though, energy security is framed in commercial rather than strategic terms. Meanwhile, Russia's reliability remains a mantra for German energy policy.⁸⁸

Considering German industry is attached to gas flow from Russia⁸⁹; any obstacle to that flow can result in serious economical losses. But, even though Russia's reliability seems problematic; if we observe the Ukrainian gas disputes, Russia is the dominant force on the dispute with economical and superiority. Therefore, even though it corresponds with the Western political sphere, Ukraine is a small country with not much bargain power. Germany, on the other hand, is a match up for Russia and Russia benefits from their exports, market and assets. Some parties of German business and political elite have the confidence to Russia also, emphasizing Russian reliability. According to them, it is not a risky dependency but a close strategic partnership.⁹⁰

⁸⁷ Dempsey, Judy. "Schroeder and Putin Cementing Relationship." September 8, 2005. Accessed March 4, 2014. http://www.nytimes.com/2005/09/07/world/europe/07iht-germany.html?_r=0.

 ⁸⁸ Röhrkasten, Sybille, and Kirsten Westphal. "Energy Security and the Transatlantic Dimension: A View from Germany." *Journal of Transatlantic Studies* 10, no. 4 (2012):
 328-42. Accessed February 21, 2014. http://dx.doi.org/10.1080/14794012.2012.734669.

⁸⁹ Paillard, Christophe-Alexandre. "Russia and Europe's Mutual Energy Dependence."*Columbia-SIPA Journal of International Affairs* 63, no. 2 (2010): 65-84. Accessed January 17, 2014. http://jia.sipa.columbia.edu/russia-and-europes-mutual-energy-dependence/

⁹⁰ Ibid.,p.337

Russia's arbitrary activities on the region (in Ukraine) with using the energy card as a threat, imposes some questions about the reliability of their partnership. According to some scholars, Germany can be at a high risk considering their energy trade volumes with Russia.⁹¹ On the other hand, Germany is too big to risk and is a good customer for Russian energy sector so German business elites and politicians are not really worried about the reliability of Russia.

2.2.3. Kaliningrad Question

Contemporary dynamics are not affected only by recent disputes but also ongoing problems. This sitation also points out even the former disputes are not politically intimidated but still influencing both Russia and Germany. Another source of conflict between Russia and Germany is a unique part of soil in the Europe called Kaliningrad. This Russian controlled city is a place near the Baltic Sea and it is a vital military base and a trade centre. The city is culturally significant for both countries because of its Prussian past; city's former name was Konigsberg.⁹² European Union members surround the city and there is no direct access to Russian soil; besides the historical disputes, currently the high crime rate and health problems make Kaliningrad a threat for Germany and for other European Union countries.⁹³ It is a Russian lebensraum in the heart of Europe and Putin's struggle for political influence turns the eyes to that land. Furthermore,

 ⁹¹ "Germany's Dependence on Russian Gas Poses Risks for Europe - Polish PM."*Reuters*,
 March 10, 2014. Accessed May 4, 2014.
 http://www.reuters.com/article/2014/03/10/poland-germany-ukraine-idUSL6N0M71JA20140310.

⁹² Lidia Polubiec and Andrzej Poloczek. "Kaliningrad." *Grove Art Online. Oxford Art Online*. Oxford University Press, accessed January 4, 2015, http://o-www.oxfordartonline.com.library.metu.edu.tr/subscriber/article/grove/art/T045545.

⁹³ Huisman, Sander. "The Future of Kaliningrad." European Union Institute for Security Studies. February 1, 2002. Accessed May 23, 2014. http://www.iss.europa.eu/publications/detail/article/the-future-of-kaliningrad/.

after the annexation of Crimea, Kaliningrad issue may gather more attention due to Putin's rhetoric.⁹⁴



Figure 2: The Map of Kaliningrad

(Source:"Kaliningrad Profile." BBC News, October 5, 2013. Accessed March 11, 2014. http://www.bbc.com/news/world-europe-18284828.)

Kaliningrad forms an important strategic and military base for Russia and an access to southern part of the Baltic Sea. Alejandro Sanchez Nieto explains the importance of the soil for the Russian state:

Kaliningrad continues to play an important role in the evolving security relationship between Russia, the United States, and Europe as Moscow modernizes its armed forces. A small oblast located between Poland and Lithuania, Kaliningrad serves as Russia's warm water port in the Baltic Sea as well as a 'forward base' of sorts for the country's military in northern Europe...⁹⁵

⁹⁴ Cichowlas, Ola. "The Invasion of Crimea Is Hurting Russia's Other Exclave." *Forbes*, June 6, 2014. Accessed August 10, 2014. http://www.forbes.com/sites/realspin/2014/06/06/the-invasion-of-crimea-is-hurting-russias-other-exclave/.

⁹⁵ Nieto, W.Alejandro Sanchez. "Assessing Kaliningrad's Geostrategic Role: The Russian Periphery and A Baltic Concern." *Journal of Baltic Studies* 42, no. 4 (2011): 465-89. Accessed November 10, 2013. http://dx.doi.org/10.1080/01629778.2011.621737.

Therefore, the place is like the arsenal of Russia with an equipped army; considering the aggression policy of Russia recently, Kaliningrad is a bigger threat for Europe and it is in their backyard. In addition, after the NATO missile shield program in Poland and Czech Republic, Russia proclaimed that they could send Iskander missiles to Kaliningrad as a response.⁹⁶ Furthermore, the governing of Kaliningrad is a failure for Russia; besides the military seizes, there is a scarcity of investment and development of facilities in the region. In this scarcity; illegal activities, crime and smuggling had a big rise.⁹⁷ Germany is not and cannot be happy about the recent news from few miles away from their soil.

Furthermore, recent political disputues may have an effect on Kaliningrad dispute also. Forbes magazine in 2014 claimed that Russia's annexation of Crimea would hurt the most their exclave in Europe: Kaliningrad. Because of Vladimir Putin's rhetoric about Crimea that the soil is "historical right" of Russia, he has to rethink of own regions that were not "historically Russian".⁹⁸ It derives some corollaries for Germany also, because if to investigate Kaliningrad's history, we will find a solid Prussian/Germany clues. Claiming of Germany on the soil would not be surprising in the close feature. In fact, they have already started to it in economical sphere. According to British The Telegraph's report; in 2001 Germany offered a secret deal to Russia to get back economic domination over Kaliningrad and in return they were going to erase Moscow's £ 22 billion debts to Berlin.⁹⁹ Both states have advantages on Kaliningrad so we may see more of the clash on this soil, especially thinking the Russian military existence on it.

Kaliningrad, which is vitally important for both states, is on the shadow of conflicts recently. After the Russian aggression in the Caucasus and Crimea, the

⁹⁶ Ibid.

⁹⁷ Ibid.,p.466,469

⁹⁸ Cichowlas, Ola. "The Invasion of Crimea Is Hurting Russia's Other Exclave." *Forbes*, June 6, 2014. Accessed August 10, 2014. http://www.forbes.com/sites/realspin/2014/06/06/the-invasion-of-crimea-is-hurtingrussias-other-exclave/.

⁹⁹ "Germany in Secret Talks with Russia to Take Back Konigsberg." *The Telegraph*, January 21, 2011. Accessed March 29, 2014. http://www.telegraph.co.uk/news/worldnews/europe/russia/1318819/Germany-in-secret-talks-with-Russia-to-take-back-Konigsberg.html.

military existence of Russian army in the middle of Europe was seen as a threat from Germany and other Western states. Russia's threat to install missiles to Kaliningrad to compensate NATO's shield plan increased the concern. On the other hand, high crimes rates and access problems to Russian soil creates systematic situations for EU. Furthermore, Germany's historical ties with Kaliningrad (Konigsberg) force them to initiate some actions to create some German influence in the soil.

2.2.4. The Ideological Clash: Values vs. Interests

Observing the reasons of disputes between Russia and Germany, naturally one of the substantive motions is the 'clash of values'. Germany as a mere technocratic endeavor with respect to law-based state¹⁰⁰ makes a low match to 'Putin System' in Russia that one-man rule dominates the other dynamics of the state.¹⁰¹ In this context, it cannot be mere to approach economic relations as the single factor for both countries' relations, because political, social attitudes have a direct impact to other branches of the state such trade agreements. Observing Germany as successfully integrated European Union liberal values, it may not congruities the semi-democratic state of Putin's Russia. In order to create a healthy relationship, both states need to follow shared economic regulations.

On the Russian case, since 2000s, things are not going well for democratic values. Timothy J. Colton, Michael McFaul, Hale and Henry explain that since Vladimir Putin became the president of Russian Federation in 2000, democratic institutions have decayed over time. The temporary democratic period in the

¹⁰⁰ "Organisation." Bundesamt Fur Justiz. Accessed March 30, 2014. https://www.bundesjustizamt.de/EN/Home/homepage_node.html.

¹⁰¹ Hale, Henry, Michael Mcfaul, and Timothy Colton. "Putin and the "Delegative Democracy" Trap: Evidence from Russia's 2003-04 Elections." *Post-Soviet Affairs* 20, no. 4 (2013): 285-319. Accessed January 4, 2014. http://dx.doi.org/10.2747/1060-586X.20.4.285.

Yeltsin era saw a transformation with the Putin administration. The phrase "managed democracy" can identify the current situation in Russia.¹⁰²

On the other hand, naturally Germany is disturbed by the way of system works in their economic, political partner. In 2013 Petersburg Dialogue, German officials strongly discussed real and perceived differences in values in both German and Russian societies. Further development of the partnership relies on whether advances in the fields of democracy and civil society promoted in Russia. Angela Merkel personally expressed her adverse feelings about undemocratic practices in Russia. In 2012, at a meeting in Moscow, alongside with Vladimir Putin, Merkel uttered that she was "irritated"¹⁰³ by Russian laws that pressuring political organizations and she condemned the sentencing of opposition music band 'Pussy Riot'. She continued: "My plea is not to see every criticism right away as destructive…Our friendship won't be better, our economic cooperation won't be better, if we sweep everything under the carpet and only say when we're of a single opinion".¹⁰⁴ Therefore, Germany, dealing with an economic cooperation requires some sort of common social values, laws.

Consequently, democratic values form a substantial reason for a dispute between Russia and Germany. Countries' economic alliance is just one branch of a complex algorithm and in this case Germany often disturbed by undemocratic practices in Russia. Since 2000s, Vladimir Putin continues his 'one man' rule over Russia and the government is often criticized for arbitrary, political sentences. ¹⁰⁵ Even though the energy flow resumes currently, disputes over values may disturb the Russo-German relationship in the future and prevent advanced projects.

¹⁰² Ibid.

¹⁰³ Donahue, Patrick, and Ilya Arkhipov. "Merkel, Putin Clash Over Human Rights at Kremlin Meeting." *Bloomberg*, November 16, 2012. Accessed April 17, 2014. http://www.bloomberg.com/news/2012-11-16/merkel-putin-meet-in-moscow-amid-rising-criticism-in-germany.html.

¹⁰⁴ Ibid.

¹⁰⁵ Elder, Miriam. "Mikhail Gorbachev Lambasts Vladimir Putin's 'sham' Democracy." *The Guardian*, February 21, 2011. Accessed June 9, 2014. http://www.theguardian.com/world/2011/feb/21/gorbachev-birthday-putin-democracy-russia.

2.3. Conclusion

Russia and Germany have been interacted and exposed to each other throughout the history on social, economic and political spectrums. In recent decade; energy is one of the main actors in their relationship. A simple equation if we create: Germany needs energy and Russia has energy sources. If we look at the economic statistics, import/export numbers; both states have a common interest on energy topic.¹⁰⁶ On the other hand, there is a debate that if political/ideological conflicts may exceed cooperation and cover up the energy interests. Especially after 2000s, Vladimir Putin's aggressive policies in the Eurasia region¹⁰⁷ forced Germany to consider how secure the Russian partner is. There have been various conflicts about: Georgia, Ukraine gas dispute, Energy security, Kaliningrad and ideological problems. However, especially German business sphere thinks political tensions will not fully damage the relationship with Russia due to various German companies doing business with Moscow. Moreover, on the Russian side, they consider Germans as a main ally in Europe and Russia is aware that their gas / oil do not have many alternatives in the region.¹⁰⁸

¹⁰⁶ "U.S. Energy Information Administration - EIA - Independent Statistics and Analysis: Germany." U.S. Energy Information Administration (EIA). January 1, 2013. Accessed July 17, 2014. http://www.eia.gov/countries/country-data.cfm?fips=gm.

¹⁰⁷ Markovic, Nina. "Behind the Scenes of the Russia-Georgia Conflict." – Parliament of Australia. September 17, 2008. Accessed July 29, 2014. http://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/BN/0809/RussiaGeorgiaConflict.

¹⁰⁸ Deuse, Klaus. "Just How Important Is Russian Gas for Europe?" *Deutsche Welle*, April 17, 2014. Accessed July 4, 2014. http://dw.de/p/1Bjng.

CHAPTER III

GERMANY'S NEED FOR ENERGY AND ITS EXPECTATIONS FROM RUSSIA

The main concern on the partnership between Russia and Germany was the political dependency through the energy trade. This phenomen often put Russia to the tyrant position while undermining Germany. However, it is important to understand the facts that create the cooperation free from the political questions. The fact is: the data and numbers show that Germany needs a high portion of energy to sustain its industrial production.¹⁰⁹ Even though, there are skepticisms about Russia's policies, currently Russia seems to be the most suitable energy partner for Germany.¹¹⁰ On the other hand, the reverse story is also available in this cooperation: Russia's economy is widely dependent on energy exports and European Union is the biggest market for the Russian energy. Germany, as the defacto leader and the industrial giant of the European Union, creates volume for Russian ongoing export rates.¹¹¹ Furthermore, the big energy projects such as Nord Stream pipeline project between these states indicates their eager to work as partners on the energy field.

In this chapter, thesis will give a look to energy necessity of Germany and the role of Russia in this matter. In addition, the chapter clarifies the mutual dependence of Russian and Germany economically parallel with the thesis' argument. Consequently, natural conditions bring these states on the same table

¹⁰⁹ Röhrkasten, Sybille, and Kirsten Westphal. "Energy Security and the Transatlantic Dimension: A View from Germany."*Journal of Transatlantic Studies* 10, no. 4 (2012): 329. Accessed February 21, 2014. http://dx.doi.org/10.1080/14794012.2012.734669.

¹¹⁰ Whist, Bendik Solum. "Nord Stream: Not Just a Pipeline An Analysis of the Political Debates in the Baltic Sea Region regarding the Planned Gas Pipeline from Russia to Germany." *Fridtjof Nansens Institutt*, 2008.

¹¹¹ "OEC: Russia (RUS) Profile of Exports, Imports and Trade Partners." Massachusetts Institute of Technology. Accessed May 23, 2014. http://atlas.media.mit.edu/profile/country/rus/.

while they try getting best benefits from this trade. Future projects bind them, integrate them more, and give them political/economical advantages in their own region.¹¹²

3.1. Germany's Industrial Need for Energy

The energy cooperation of Russia and Germany is highly influenced by the environmental factors. Therefore, the cooperation appears because of necessities instead of secret political plans. For the Germany's case: a huge industrialist state, pioneer of the European Union, home for various worldwide companies and one of the biggest economies in the world.¹¹³ Considering these attributions, this state's economy looks solid with no vulnerabilities. Contrary, their vulnerability starts from the essential base of the country itself: the soil. German soil is poor of energy resources, valuable minerals, and the fuel that their shiny industry requires.¹¹⁴ In this case; either Germany will invade country for its resources or it will import it from another country. Because we are in the 21st century with international laws and structured values, Germany has chosen the second way. Russia comes as our second character just in that time, they have what Germany needs; natural gas and they are ready to sell it.¹¹⁵ Nevertheless, scholars, politicians, analysts for many years, argue this one paradox: if Germany are putting itself risky position by trading with Russia. Besides the trade money, does Russia can use the vulnerability of Germany in political arena?¹¹⁶ The key point for the answer relies

¹¹² Whist, Bendik Solum. "Nord Stream: Not Just a Pipeline An Analysis of the Political Debates in the Baltic Sea Region regarding the Planned Gas Pipeline from Russia to Germany." *Fridtjof Nansens Institutt*, 2008.

¹¹³ McCoy, Lara. "Russia-Germany." The Moscow Times 6, no. 40 (2013): 1-16.

¹¹⁴ "The World Factbook : Germany." Central Intelligence Agency. June 22, 2014. Accessed November 14, 2014. https://www.cia.gov/library/publications/the-world-factbook/geos/gm.html.

¹¹⁵ U.S. Energy Information Administration - EIA - Independent Statistics and Analysis." Russia. May 30, 2013. Accessed April 2, 2014. http://www.eia.gov/countries/country-data.cfm?fips=RS.

on the introduction of this paragraph: Germany is not just a small Baltic state; it is one of the most advanced states in the world.

It is important to clarify that energy is a necessity for Germany and they want to secure the energy route as much as possible. The portion of the energy necessity increases every day parallel to many other European Union countries. On the other hand, there is also political consequences of this necessity for Berlin; parallel with the geopolitical consequences.¹¹⁷ The German government wants to secure their energy routs of the country while making sure the transparency of energy flow:

The German primary energy mix is comparable to other highly industrialized states and dominated by fossil fuels; oil has a share of 34%, natural gas 20% and coal 24%. A major feature of the German energy system is the high degree of import dependency; Germany imports more than 70% of its coal consumption, more than 80% of its gas consumption and almost %98 of its oil consumption.¹¹⁸

In a situation like this, the best method is to diversify your energy imports to various countries to avoid political problems; however, besides Russia, there is no big exporter in the region (Europe). This is an inevitable trade for Germany currently and they have to make it most beneficial way for economic pragmatism. Dohmen and Jung from Der Spiegel stated that there might be some alternative to Russian gas such liquefied natural gas (LNG); according to them, LNG coming from Qatar Norway and Nigeria with the large ships carry enough natural gas supply for 60,000 households annually. However, the price is much higher than the pipeline gas, approximately \$10 per million British Thermal Units (BTUs).¹¹⁹ One

¹¹⁸ Röhrkasten, Sybille, and Kirsten Westphal. "Energy Security and the Transatlantic Dimension: A View from Germany."*Journal of Transatlantic Studies* 10, no. 4 (2012): 329. Accessed February 21, 2014. http://dx.doi.org/10.1080/14794012.2012.734669.

¹¹⁶ Overhaus, Marco, Hans W. Maull, and Sebastian Harnisch, eds. "The European Union's Quest for a Common Energy Foreign Policy." *University of Trier -Foreign Policy in Dialogue* 8, no. 20 (2007): 1-60. Accessed February 9, 2014. http://www.deutscheaussenpolitik.de/newsletter/issue20.pdf.

¹¹⁷ Fuchs, Richard. "Germany's Russian Energy Dilemma." *Deutsche Welle*, March 29, 2014. Accessed July 6, 2014. http://dw.de/p/1BYGr.

¹¹⁹ Dohmen, F., & Jung, A. (2014, May 6). Cold Turkey: How Germany Could End Russian Gas Dependency. *Der Spiegel*. Retrieved August 12, 2014, from http://www.spiegel.de/international/business/german-alternatives-to-russian-gas-numerous-but-pricey-a-967682.html

other option is Algeria for natural but besides the price, the civil unrest in the North African region makes it even less reliable than Russia.¹²⁰ For now on, Russia and Germany's faith is on the same line.

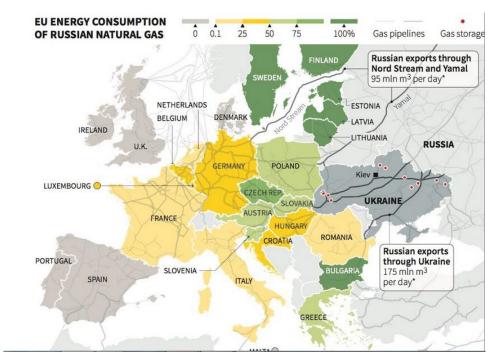


Figure 3: EU Energy Imports from Russia

(Source: Bender, J. (2014, March 11). Germany Prepares To Supply Ukraine If Russia Shuts Off The Gas. Retrieved September 14, 2014, from http://www.businessinsider.com/germany-supply-ukraine-russia-shuts-gas-2014-3)

The table above shows us the situation of the European Union is no different from Germany. Parallel to Germany, all of the Eastern European members and a considerable portion of the Western EU members consume the Russian natural gas. Germany receives attention with a darker color because of the Nord Stream

¹²⁰ Feldman, Noah. "Algeria's Forecast: Arab Spring." *Bloomberg View*, April 14, 2014. Accessed August 14, 2014. http://www.bloombergview.com/articles/2014-04-14/algeria-s-forecast-arab-spring.

pipeline, which directly gets gas from Russian soil.¹²¹ We will discuss about the Nord Stream later parts on the thesis.

The energy trade between Russia and Germany looks like an inevitable demand/supply relationship. Similar to old times, Germany needs raw material from Russia for the produced manufactured goods. The alternative gas supply sources are either expensive or not feasible. Furthermore, the situation of the European Union parallels with Germany; the union imports most of its gas from Russia.

3.2. Strategic Partnership with Russia

Russian position in this case looks like a company that found its customer in its scarcity so the cooperation is inevitable.Since the collapse of the Soviet Union, especially focusing in Putin period, Germany sees Russia as a big future strategic partner and they need to keep that plan if they want to continue their industrial and structural advancement.¹²² In addition, Germany as a political ally would help Russia in their political struggle. However, there is high skepticism about agenda of Russian companies' actions in Germany and in Europe; some scholars sustain that this is a way to intimidate these countries politically and make them more dependent to Russian gas.¹²³ Various Russian companies increased their area of influence in Europe recently with merges and agreements.¹²⁴ This can be a sole

¹²¹ Bender, J. (2014, March 11). Germany Prepares To Supply Ukraine If Russia Shuts Off The Gas. Retrieved September 14, 2014, from http://www.businessinsider.com/germany-supply-ukraine-russia-shuts-gas-2014-3

¹²² Höhmann, Hans-Hermann, Christian Meier, and Heinz Timmermann. "Russia and Germany in Europe: Recent Trends in Political and Economic Relations." *Journal of Communist Studies and Transition Politics* 14, no. 3 (2007): 24-57. Accessed September 25, 2014. http://dx.doi.org/10.1080/13523279808415381.

¹²³ Ericson, Richard E. "Eurasian Natural Gas Pipelines: The Political Economy of Network Interdependence." *Eurasian Geography and Economics* 50, no. 1 (2013): 28-57. Accessed March 18, 2014. http://dx.doi.org/10.2747/1539-7216.50.1.28.

¹²⁴ "Buying into the West: Russia Seeks Greater Economic Influence in Europe."*Der Spiegel*, October 9, 2006. Accessed April 14, 2014.

commercial strategy for further project or a political method of Moscow with economic motives.

As a mixture of liberal/conservative economy¹²⁵, German market is open to foreign investments and also for Russian companies. However, in the Russian case; there some prejudices in the mind if these moves are solely economic moves; after various gas contracts in the Eastern European countries, it was suspicious that Vladimir Putin uses natural gas an instrument for political terminus.¹²⁶ After 2000s, Russia's energy giant Gazprom had initiations to gain some systematic control of the German energy market either with buying shares or agreements. Gazprom export report detailed these affairs in Germany:

The major German energy concern E.ON AG became Ruhrgas AG's unitary shareholder in the early 2003. The E.ON Ruhrgas AG company imports natural gas from Russia, the Netherlands, Norway and Denmark, providing for about 50 percent of the gas delivered to the German market. It also ensures the transit of Russian gas to France and the Netherlands. Russian natural gas is delivered to E.ON Ruhrgas AG for distribution in Germany and Switzerland under 7 long-term contracts. The annual commitments are limited to 22 billion cubic meters (including 0.38 billion for the Swiss market). In addition, a longterm agreement has been in force with E.ON Ruhrgas AG since October 1, 2001 on the transit of Russian natural gas through Germany to the Netherlands and Belgium. A series of other short-term contracts are also in effect. In all, over 534 billion cubic meters of gas totaling more than 63.1 billion dollars have been delivered to E.ON Ruhrgas AG since the exports began. April 1999 saw the registration under Russian federal law of Gerosgaz (CJSC), a joint venture between Gazprom and Ruhrgas AG that, among other things, trades on the Russian securities market. E.ON Ruhrgas AG controls about 6.7 percent of JSC Gazprom's shares (about 3.5 percent of the shares directly, and the other three percent through CJSC Gerosgaz). In August 2006, Gazprom Export and E.ON Ruhrgas AG signed four prime contracts for the period between 2020 and 2035, with the volume of annual deliveries under the prolonged contracts reaching 19.8 billion cubic meters. In order to improve the efficiency of Russian gas sales and increase their share on the Germany

¹²⁵ Leonhardt, David. "The German Example."*The New York Times*, June 7, 2011. Accessed July 15, 2014. http://www.nytimes.com/2011/06/08/business/economy/08leonhardt.html?_r=0.

http://www.spiegel.de/international/spiegel/buying-into-the-west-russia-seeks-greater-economic-influence-in-europe-a-441467.html.

¹²⁶ Barker, Alex, Stanley Pignal, and Gerrit Wiesmann. "Gazprom Raided in EU Antitrust Investigation." *Financial Times*, September 27, 2011. Accessed August 10, 2014. http://www.ft.com/intl/cms/s/0/43f9f24c-e92b-11e0-af7b-00144feab49a.html#axzz3OGfS5xDH.

market, JSC Gazprom and Wintershall (100- percent owned by BASF AF) created two joint enterprises in Germany — WIEH (1990) and WINGAS (1993).¹²⁷

Valentina Feklyunina, from Newcastle University, thinks that it is a hoax and because of German business lobby backing up Russia, there is no big attention to these kinds of merges in the country. Feklyunina argues; because of their special relationship, Germany advocates Russian interests in the European Union organization. The leading lobby is Ost-Ausschuss der Deutschen Wirtschaft which also covers the interests of E.ON Ruhrgas effects the German media for Russia's advantage.¹²⁸ However, the business lobbies exist in every country or different kind or in Germany only that supports various interests. Although accepting the influence of the business sector, merely Germany foreign policies and agenda cannot be shaped with them. Furthermore, there are approximately 6,200 German companies functioning in Russia currently.¹²⁹ That creates a big volume not only for German economy but also for the Russian economy; the mutual trade binds both economies. German companies in Russia have approximately \$27 billion total turnover.¹³⁰ In any kind of economic turmoil, Russian economy will not get away clearly from the incident. Therefore, instead of mutual interests, there is less possibility to impose on Germany against their national agenda.

To sum up, Russian energy sector involved in various spheres in Germany after 2000; and for many people, this is just a method to intimidate Germany politically. Future agreements and merged companies bring more

¹²⁷ "Gazprom Export." Gazprom. January 1, 2009. Accessed January 5, 2014. http://www.gazprom.com/f/posts/97/618699/layout_eng_02.06.pdf.

¹²⁸ Feklyunina, Valentina. "Russia's International Images and Its Energy Policy. An Unreliable Supplier?" *Europe-Asia Studies* 64, no. 3 (2012): 449-69. Accessed June 9, 2014. http://dx.doi.org/10.1080/09668136.2012.661923.

¹²⁹ "German Firms in Russia: Lovers Not Fighters." *The Economist*, March 15, 2014. Accessed August 9, 2014. http://www.economist.com/news/business/21599034-german-exporters-are-pushing-back-against-economic-sanctions-russia-lovers-not-fighters.

¹³⁰ Dempsey, Judy. "How German Companies See Russia." Carnegie Europe. June 30,2014.AccessedAugust15,2014.http://carnegieeurope.eu/strategiceurope/?fa=56037.

Russian influence in European Union. However, there is also a big German business sector functioning in Russia so even though Germany is dependent on Russian gas, manufacturer sector equalize the risk for both countries.

3.3. Gas Pipelines and Energy Dependence

To understand the integration of the cooperation, the instruments of the cooperation would help you to understand. Russian and German energy cooperation's direct/visible results are the pipelines. Argued on the previous sections, pipelines are not seen only economical but also political instruments. A discussion focusing on them would bring out their mutual effects on both sides. The facts discussed show the result that Germany is in need for a big amount of energy imports and Russia is the most suitable country and approximately, they provide big percent of Germany's energy need.¹³¹ However, the energy relationship between Russia and Germany is really sensitive to political matters; it will be a debate in these countries if energy alliance conflicts with national independence. The both side requires long-term bilateral agreements parallel with securing the national security priorities. The pipelines are the banners of this cooperation; on the other hand similar to chains coming from Russia, they are accepted doubtful from the West for political oppression tools.¹³² Perhaps the most reputable pipeline system is the Nord Stream line for Russo-German energy cooperation, binding the countries directly; Nord Stream opens the door of a more integrated energy trade for Russia and Germany. Naturally, criticisms focused on

¹³¹ Fuchs, Richard. "Germany's Russian Energy Dilemma." *Deutsche Welle*, March 29, 2014. Accessed July 6, 2014. http://dw.de/p/1BYGr.

¹³² Stulberg, Adam N. "Strategic Bargaining and Pipeline Politics: Confronting the Credible Commitment Problem in Eurasian Energy Transit." *Review of International Political Economy* 19, no. 5 (2012): 1-29. Accessed January 23, 2015. : http://dx.doi.org/10.1080/09692290.2011.603662.

Nord Stream for Germany's willingly falling to Russia's hands with this project¹³³, but this supports that project gives various advantages to German economy along with the Russian one. Moreover, investing so much for the project, Russia is also restive to get their earnings instead of political pressure.

3.3.1. Nord Stream: The symbol of cooperation

Talking about the integrated energy cooperation between Russia and German, Nord Stream pipeline project would be a great example. This pipeline symbolizes the integrated energy cooperation between Russian and Germany. Constructed in 2012 by the Nord Stream AG consortium,

the Nord Stream twin pipeline system through the Baltic Sea runs from Vyborg, Russia to Lubmin near Greifswald, Germany... The two 1,224kilometre offshore pipelines are the most direct connection between the vast gas reserves in Russia and energy markets in the European Union. Combined, the twin pipelines have the capacity to transport a combined total of 55 billion cubic metres (bcm) of gas a year to businesses and households in the EU for at least 50 years.¹³⁴

The project contains a big potential to cover the energy necessities of Germany and Europe for a long time.¹³⁵ Because of the same reason, there may be a risk that binding its faith to Russia was a big mistake for Germany, especially after Russia's drastic foreign policy in the region.¹³⁶ Contrary to that argument, the thesis support

¹³³ Gurkov, Andrey, and Markian Ostaptschuk. "Nord Stream: A Commercial Project with a Political Vision." *Deutsche Welle*, November 7, 2011. Accessed April 10, 2014. http://dw.de/p/134WX.

¹³⁴ "Nord Stream - The New Gas Supply Route for Europe." Nord Stream AG. Accessed January 16, 2014. https://www.nord-stream.com/the-project/pipeline/.

¹³⁵ Whist, Bendik Solum. "Nord Stream: Not Just a Pipeline An Analysis of the Political Debates in the Baltic Sea Region regarding the Planned Gas Pipeline from Russia to Germany." *Fridtjof Nansens Institutt*, 2008.

¹³⁶ Kramer, Andrew E. "Russia Gas Pipeline Heightens East Europe's Fears." *New York Times*, October 12, 2009. Accessed June 9, 2014. http://www.nytimes.com/2009/10/13/world/europe/13pipes.html?_r=0.

Germany is benefitting from the project economically/ politically and Russia's investment on German market makes it mutually dependent to earnings from Nord Stream pipeline.

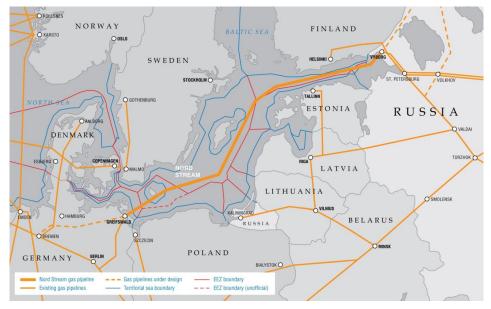


Figure 4: Nord Stream Pipeline Map

(Source: "Nord Stream." Gazprom. Accessed January 16, 2014. http://www.gazprom.com/f/posts/34/784591/map-nord-stream-en.jpg.)

There were various critics about the Nord Stream project on the context of political dependence. For instance in Germany's neighbor: Poland, politicians accused Germany of doing business behind the back of Eastern European while making Germany and Europe more dependent on Russian gas.¹³⁷ One other criticism came from the, director of the Estonian Foreign Policy Institute, Andreas Kasekamp blamed Germany for behaving for them in the sake of Europe and he implemented the special relationship between Russia and Germany. Kasekamp stated:

¹³⁷ Dempsey, Judy. "Construction of Contentious Nord Stream Gas Line to Begin." *New York Times*, April 8, 2010. Accessed February 16, 2014.http://www.nytimes.com/2010/04/09/business/energy-environment/09nordstream.html?_r=0.

Apparently this is some deep and grand way of thinking in the German foreign ministry...And it seems to me that we [Estonians] are accused of making our decisions based on our history, but...the Germans are also making their decisions based on their history. And the wrong history lesson that they are drawing on interdependence is that they see everything through the prism of the successful...reconciliation of Germany and France after World War II in Europe...And now they hope to overcome the differences with Russia by becoming more closely intertwined...But although this theory sounds nice, I think it has pretty serious flaws, not the least of all is that Vladimir Putin is not Konrad Adenauer.¹³⁸

The criticism basically relies on Russia's unreliability and being a threat to all Europe. So basically, Germany affects not only its faith but also the faith of Europe with the Nord Stream pipeline.

Contrary to criticisms, the thesis supports that Germany gains various political and economical advantages with the Nord Stream pipeline.¹³⁹ The thesis supports that it is true that Germany is being more dependent to Russia by the pipeline but currently there is no feasible alternative to Russian gas, and Germany needs natural gas for its industry. Furthermore, direct route of the Nord Stream to German soil strengthen Germany's political position in the European Union; countries, who want to get advantage from the Russian natural gas, have to sit on the table with Germany first. Therefore, while sustaining its industrial dominance in Europe, Germany also gets a political leverage in the continent. Furthermore, the pipeline system is both beneficial for both Russia and Germany; alienation of intermediaries decreased the transmit fees while problematic routes are avoided with a fast natural gas flow under the sea.¹⁴⁰ Germany secured its energy corridor for continues production; no more problems between Russian and some Eastern European country will disturb the course of natural gas to Germany. And lastly, Nord Stream project has a possibility to get the attention of Russians directly to

¹³⁸ Whist, Bendik Solum. "Nord Stream: Not Just a Pipeline An Analysis of the Political Debates in the Baltic Sea Region regarding the Planned Gas Pipeline from Russia to Germany." *Fridtjof Nansens Institutt*, 2008.

¹³⁹ Ibid.

¹⁴⁰ Kramer, Andrew E. "Russia Gas Pipeline Heightens East Europe's Fears." *New York Times*, October 12, 2009. Accessed June 9, 2014. http://www.nytimes.com/2009/10/13/world/europe/13pipes.html?_r=0.

European market and it is a suitable position to integrate Russia to European regulations and make the country a more reliable energy source. Bendik Solum Whist supports this idea in his article, stating same advantages go for Russia as well:

For Russia, Nord Stream appears to be a win-win project. On the one hand, if Moscow indeed seeks to use energy as a political lever against states within its former sphere of influence, then Nord Stream will make this possible. On the other hand, if a gas deficit is 'brewing', then the offshore pipeline will enable Moscow to supply its allegedly most important partner in the EU whilst cutting supply levels elsewhere, and hence, stable relations with Berlin can be maintained.¹⁴¹

The suspicions on the pipeline networks between Russia and Germany were mostly on political bases. Germany's further dependency to Russian gas could end up in political effectiveness of Russia according to some politicians and scholars. Nord Stream pipeline, constructed in 2012¹⁴², was in the center of criticism. However, the huge project between Russian and Germany was benefitting both countries politically and economically. For the German case; while getting direct and fast gas from Russia, it was strengthening its political influence in the European Union. Similar conditions were valid for Russia also; they were avoiding the problematic intermediary countries while getting integrated to European market. For the political dependency, we can say that both partners will have some kind of influence to each other but there will be no domination due to mutual interests.

3.4. Merkel's Plans for Nuclear Shutdown and Russia

Besides the natural gas, Germany's domestic dynamics helped to the integrated energy cooperation with Russia and made it inevitable to avoid Russian imports to the country. One of these dynamics was the Merkel's plans for nuclear

¹⁴¹ Ibid.

¹⁴² "Nord Stream - The New Gas Supply Route for Europe." Nord Stream AG. Accessed January 16, 2014. https://www.nord-stream.com/the-project/pipeline/.

shutdown in Germany.Nuclear energy, in the 20th century was popular due to its cleanness and strenuous, however Chernobyl disaster in the 1986 showed the entire world that nuclear energy contains a big danger and the deficits can be tremendous.¹⁴³ Germany was one of the countries in Europe that benefiting widely from nuclear energy until 2011; however, the incident in Fukushima Nuclear Plant in Great East Japan Earthquake (2011) was the final warning for the German government.¹⁴⁴ After the mass protests against the nuclear power in the country, Angela Merkel announced of shutting Germany's all nuclear reactors by 2022.¹⁴⁵ Considering Germany was getting appreciable amount of energy from the reactors, shutting all them down is going to mean more imports from Russia. Luckily, for Russia, Germany can be even more dependent to Russian energy sources in years ahead.

Continuing the 20th century fashion; Germany had a wide usage of nuclear plantation; in the scarcity of energy, nuclear power was a good artificial way. According to World Nuclear Association's data in 2014; Germany until March 2011 was getting one quarter of its electricity from 17 nuclear plants. Furthermore, the cost of substituting nuclear energy with renewable energy will be about \in 1 trillion burden to German budget.¹⁴⁶

¹⁴³ "Chernobyl Then and Now: 28 Haunting Images from Nuclear Disaster." *Russian Times*, April 26, 2014. Accessed June 11, 2014. http://on.rt.com/bi0fol.

¹⁴⁴ Goodman, Amy. "Fukushima Is an Ongoing Warning to the World on Nuclear Energy."*The Guardian*, January 16, 2014. Accessed June 12, 2014. http://www.theguardian.com/commentisfree/2014/jan/16/fukushima-is-a-warning.

¹⁴⁵ Pidd, Helen. "Germany to Shut All Nuclear Reactors." *The Guardian*, May 30, 2011. Accessed January 5, 2015. http://www.theguardian.com/world/2011/may/30/germany-to-shut-nuclear-reactors.

¹⁴⁶ "Nuclear Power in Germany." World Nuclear Association. January 1, 2014. Accessed August 5, 2014. http://world-nuclear.org/info/Country-Profiles/Countries-G-N/Germany/.

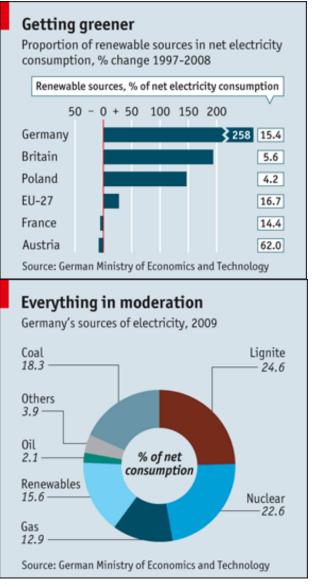


Figure 5: Germany's Sources of Electricity

(Source: "Germany's Energy Policy : Nuclear Power? Um, Maybe." The Economist, September 2, 2010. Accessed August 10, 2014. http://www.economist.com/node/16947258.)

The charts above show the electricity consumption of Germany and the sources that they were getting from. In the absence of nuclear power, the gas's share can rise dramatically. In that case, trades will Russia will get higher in a correlation. From the Merkel's solid attitude, we can understand that this is the most possible scenario. She declared: "Safety has the priority in all our deliberations,"¹⁴⁷ after a meeting with politicians.

In this context, Russia was fortunate, besides holding the world's biggest natural gas resources¹⁴⁸, but because of the global conjuncture making Germany and many of the European industries dependent on their gas. Merkel stated that Germany wants Russia to be "a major supplier of natural resources"¹⁴⁹ during a visit by Russia's Prime Minister Vladimir Putin. The Russian response was not late; Energy Minister Sergei Shamtko told reporters: "The latest events which we have been witnessing lately show that stable and safe supplies of gas from Russia on the long-term basis is key to Europe's energy security"¹⁵⁰ Russia's eager to be a energy partner to Germany was also a hint to understating Russia's motivation on European Union political and economical influence. Germany's desire to find a relatively stable energy partner like Russia comparing to North Africa was a mutual benefit to Russian natural gas which European market is a stable one. On the other hand, from the Berlin front, Michael Kauch a parliamentary spokesperson from Merkel's Free Democratic Party coalition partner highlighted the freedom of German politics by stating: "We have to make sure there's a diversity of sources. We can't get too dependent on Russia".¹⁵¹ The thing is there was a mutual dependency in here; Germany and Russia with their big pipeline projects and agreements wanted a long running trade between them. In a situation like the Fukushima accident; they will use this relationship even more efficiently. Alexander Rahr, a Russia expert at the German Council, sums up the situation

¹⁵¹ Ibid.

¹⁴⁷ Harding, Luke. "Angela Merkel Switches off Seven Nuclear Power Plants." *The Guardian*, March 15, 2011. http://www.theguardian.com/world/2011/mar/15/germany-merkel-switches-nuclear-power-off.

¹⁴⁸ U.S. Energy Information Administration - EIA - Independent Statistics and Analysis." Russia. May 30, 2013. Accessed April 2, 2014. http://www.eia.gov/countries/country-data.cfm?fips=RS.

¹⁴⁹ Czuczka, Tony. "Russian Gas Beckons for Germany as Merkel Turns From Nuclear."*Bloomberg*, April 8, 2011. Accessed August 5, 2014. http://www.bloomberg.com/news/2011-04-07/russian-gas-beckons-for-germany-as-merkel-turns-from-nuclear.html.

¹⁵⁰ Ibid.

wisely: "Nobody expected what happened in Japan, but in the end it will benefit those who have built those extra pipelines from Russia."¹⁵²

To sum up, Angela Merkel's future energy plans include the shutdowns of nuclear plants in the country, due to various security concerns. Considering Germany was using nuclear reactors efficiently for energy producing; this move can be meaning more Russian natural gas imports for Germany. Officials in Moscow seem eager to have more integrated relations with Berlin while there are some concerns inside the Germany about dependency. However, in the end, the mutual trade benefits both parties in the energy/economical matters.

3.5. Conclusion

To conclude, Germany's need for energy is based on country's industrial characteristic; as an engine of Europe, it requires sustainable energy sources. At this point Russia enters the stage as one of the biggest energy importers in the world¹⁵³; historically and geo strategically it is a perfect importer for Germany. However, there are various concerns about the Germany's dependency to Russian gas, if they can be intimidated politically by this country.¹⁵⁴ The Western public backlashed Russia's aggressive policies under the Putin administration. In addition, the same concerns stand for most of the EU members. On the other hand, the German companies involve in a high volume of trade in Russian economy and they have some kind of impact on this economy; thinking of fragility of the Russian economy, any kind of economic turmoil from the European companies

¹⁵² Ibid.

¹⁵³ U.S. Energy Information Administration - EIA - Independent Statistics and Analysis." Russia. May 30, 2013. Accessed April 2, 2014. http://www.eia.gov/countries/countrydata.cfm?fips=RS.

¹⁵⁴ Beste, Ralf, and Cordula Meyer. "'Russia's Energy Weapon': German-US Tensions Grow Over Baltic Pipeline." *Der Spiegel*, September 22, 2008. Accessed June 12, 2014. http://www.spiegel.de/international/world/russia-s-energy-weapon-german-ustensions-grow-over-baltic-pipeline-a-579677.html.

can crush the ruble.¹⁵⁵ Nord Stream project flared the debates about the energy dependency to Russia; however, the mutual interests were active in this project. In fact, Merkel's nuclear shutdown plan after the incident in Fukushima (Japan) in 2011¹⁵⁶ required more of the Russian natural gas; where both countries benefited from structured pipelines.

¹⁵⁵ Gay, Mark. "Russia-Germany." *The Moscow Times* 7, no. 49 (2014): 1-20.

¹⁵⁶ Goodman, Amy. "Fukushima Is an Ongoing Warning to the World on Nuclear Energy."*The Guardian*, January 16, 2014. Accessed June 12, 2014. http://www.theguardian.com/commentisfree/2014/jan/16/fukushima-is-a-warning.

CHAPTER IV

POLITICAL DIMENSIONS OF RUSSO-GERMAN COOPERATION

Criticizing the Germany's energy dependence to Russia, people brought issue of political suppression. According to statements, Germany was going to be intimidated by Russia on the level of international politics.¹⁵⁷ This chapter of this thesis continues to political reasons that show mutual influence, after the economic reason explained on the previous chapter. Investigating the aggressive foreign policy of Russian government, the chapter explains international disputes such as the annexation of Crimea showed the political clash of Germany and Russia on the international level.¹⁵⁸ Besides the disputes that covered in the second chapter of the thesis, Crimea was a high point on the relations. Angela Merkel's tough attitude about the sanctions to Russia for punishment collaterally supports the thesis' argument about the mutual political influence.¹⁵⁹ Moreover, Russian energy giant Gazprom's politically motivated actions will be focused on this chapter. After energy became Russia's one of the strengthened characteristics, there were suspicions about the company for political intimidation.¹⁶⁰ Even though there were

¹⁵⁷ Beste, Ralf, and Cordula Meyer. "'Russia's Energy Weapon': German-US Tensions Grow Over Baltic Pipeline." *Der Spiegel*, September 22, 2008. Accessed June 12, 2014. http://www.spiegel.de/international/world/russia-s-energy-weapon-german-ustensions-grow-over-baltic-pipeline-a-579677.html.

¹⁵⁸ Matlack, Carol, Henry Meyer, Arne Delfs, and Matthew Philips. "Germany's Merkel Gets Tough on Russia." *Bloomberg Businessweek*, April 17, 2014. Accessed July 15, 2014. http://www.businessweek.com/articles/2014-04-17/germany-mulls-harshsanctions-on-russia-dot-will-europe-follow.

¹⁵⁹ Paterson, Tony, Peter Foster, and Bruno Waterfield. "Angela Merkel: Russia 'will Not Get Away' with Annexation of Crimea." *The Telegraph*, March 12, 2014. Accessed August 17, 2014.

http://www.telegraph.co.uk/news/worldnews/europe/ukraine/10693400/Angela-Merkel-Russia-will-not-get-away-with-annexation-of-Crimea.html

¹⁶⁰ Stegen, Karen Smith. "Deconstructing the "energy Weapon": Russia's Threat to Europe as Case Study." *Energy Policy* 39, no. 10 (2011): 6505-513. Accessed October 14, 2014. doi:10.1016/j.enpol.2011.07.051.

evidences of Gazprom's erroneous actions on the Eastern European countries¹⁶¹, Gazprom is one of partners of Nord Stream pipeline¹⁶² consortium; therefore, it shares common interests with the German state. On the other hand, the evidences are weak about the political influence of the company in Germany and it can be explained by the strength of Germany as a state.

The relationship between Germany and Russia were seen highly suspicious by some European and North Atlantic countries. While both companies enjoy the benefits of the cooperation, some western states view Russia may not be the best candidate for stable democratic and liberal values. The armed conflicts in Georgia (2008) and Ukraine (2014)¹⁶³ created a base for the suspicions on Vladimir Putin's aggressive actions in the Western World.On the other hand, although she is eager to create mutual integration with Russia, Merkel could be seen one of the skeptics with her East German background under Soviet occupation according to Alexander Rahr.¹⁶⁴

This thesis supports, today Germany, under Merkel administration, shares a mutual economical benefit and dependency with Russia; and various incidents affect both states in positive and negative ways. On the other hand, Merkel has her own agenda to pressure Russia. Angela Merkel is highly committed to European Union values and regulations so a more Europeanized Russia would be a better partner for Germany. That is why, in 2006, in a meeting in Lahti, German Chancellor insisted on Russia to ratify Energy Charter Treaty; the treaty was

¹⁶¹ Polityuk, Pavel. "Russia Sacrifices Gazprom Profit for Politics in Ukraine - analysts." *Reuters*, April 4, 2014. Accessed August 8, 2014. http://www.reuters.com/article/2014/04/04/russia-gazprom-ukraine-idUSL5N0MW35J20140404.

¹⁶² Whist, Bendik Solum. "Nord Stream: Not Just a Pipeline An Analysis of the Political Debates in the Baltic Sea Region regarding the Planned Gas Pipeline from Russia to Germany." *Fridtjof Nansens Institutt*, 2008

¹⁶³ Saakashvili, Mikheil. "Let Georgia Be a Lesson for What Will Happen to Ukraine."*The Guardian*, March 14, 2014. Accessed October 2, 2014. http://www.theguardian.com/commentisfree/2014/mar/14/georgia-lesson-for-ukraine-crimea-referendum-trick.

¹⁶⁴ Rahr, Alexander. "Germany and Russia: A Special Relationship." *The Washington Quarterly* 30, no. 2 (2010): 137-45. Accessed July 13, 2014. http://dx.doi.org/10.1162/wash.2007.30.2.137.

signed by Russia but not ratified. Importance of this treaty is that it was setting some binding protections for trade and investment in energy sector as well as putting rules for energy transit.¹⁶⁵ Germany's move is to secure their energy flow and put Russia on the same table with them, have the same economical regulations. The romantic era of the Schroeder-Putin is done and Germany, speaking politically, aims to yield a consensus with Russia on every aspect of the relationship.

On the other hand, political skepticism on Russia and its energy companies find some base on the global level. Especially, Gazprom case generates the motivations to put Moscow on the pressure room for questioning the unworthy actions. In fact, Brussels examined the Russian giant energy company on an investigation into suspected market abuse.¹⁶⁶ In this situation, the Russia's reliability as an economic collaborate decreases for Germany, however the political intimidation on Germany like some scholars support does not exist. The position of Russia is not suitable and realistic while thinking the potential of Germany in the European Union.

4.1. Putin's Aggression in Ukraine: How the tension in Crimea affects relations with Germany

The Crimea case was a major incident for the Russo-German relations; it was vital to practice the mutual political influence of these states on each other. Germany's response was highly solid on Crimea and Germany's sensitivity can be observed with the German foreign minister Frank Walter Steinmeier's quote:

¹⁶⁵ "Putin Rejects EU Demands On Energy." International Centre for Trade and Sustainable Development. October 18, 2006. Accessed April 14, 2014. http://www.ictsd.org/bridges-news/bridges/news/putin-rejects-eu-demands-on-energy.

¹⁶⁶ Barker, Alex, Stanley Pignal, and Gerrit Wiesmann. "Gazprom Raided in EU Antitrust Investigation." *Financial Times*, September 27, 2011. Accessed August 10, 2014. http://www.ft.com/intl/cms/s/0/43f9f24c-e92b-11e0-af7b-00144feab49a.html#axzz3OGfS5xDH.

"Europe is, without a doubt, in its most serious crisis since the fall of the Berlin Wall. Twenty-five years after the end of the conflict between the blocks, there's a new, real danger that Europe will split once again."¹⁶⁷ It is highly important to see that a German foreign minister sees Russia as a danger to European security. Throughout the thesis, the political clashes of Russia and Germany were all considered as the mutual political influence in this relationship. However, one recent incident lately was a summary of ongoing political climate. In 2014, Crimea crisis was a major incident for both Russia and Germany, which triggered an international challenge, brought Western powers against Putin administration in Russia.¹⁶⁸ The German response to Crimea was a question for the environment that is suspicious for Russia's political intimidation on Germany, and it created an arena to examine the dependency level of Germany to Russian energy due to broad Western economical sanctions against Russia. Even though there are debates about the level of reaction of Germany on Crimea, Angela Merkel and Germany indicated an attitude against Putin's arbitrary aggression, which proved their political maneuver mechanism still functions against Russia.

Micheal Ruhle explains in his article NATO Enlargement and Russia: Discerning Fact from Fiction that the recent crisis in Ukraine resulted in Russia's annexation of Crimea and it marked a new low in the Russia-NATO relationship.¹⁶⁹ Therefore, the current situation was similar to Cold War days of Russia-West relationship on global political matters. The hardening tone of Vladimir Putin, especially starting from his second term, surrounded by nostalgia to glorious Russian dominance raised the tension with the other actors and clashed

¹⁶⁷ Panke, Julian. "Enemy at the Gates? How the EU Should Cope with Russia in Its Eastern Neighbourhood." *IEP Policy Briefs on Eastern Europe and Central Asia*, no. 2 (2014): 1-6. Accessed August 5, 2014. http://iep-berlin.de/wp-content/uploads/2014/08/policy-brief_Paenke.pdf.

¹⁶⁸ Paterson, Tony, Peter Foster, and Bruno Waterfield. "Angela Merkel: Russia 'will Not Get Away' with Annexation of Crimea." *The Telegraph*, March 12, 2014. Accessed August 17, 2014. http://www.telegraph.co.uk/news/worldnews/europe/ukraine/10693400/Angela-Merkel-Russia-will-not-get-away-with-annexation-of-Crimea.html

¹⁶⁹ Rühle, Michael. "NATO Enlargement and Russia: Discerning Fact from Fiction."*American Foreign Policy Interests: The Journal of the National Committee on American Foreign Policy* 36, no. 4 (2014): 234-39. Accessed November 18, 2014. http://dx.doi.org/10.1080/10803920.2014.947879.

with their interests.¹⁷⁰ Germany's role in the Crimea tension was on the observation; prior criticizes on the Georgian case were also on the table. Symbolized by the quote on the above from the German foreign minister Frank-Walter Steinmeier; Germany took the Crimean crisis really seriously. They had a chance to demonstrate their questionable political freedom from Russia in an international acme. Additionally, besides Germany, European Union needed to justify its political power. According to Julian Panke:

Now, Crimea is de facto lost. But to avoid any further aggression and react on the massive violation of any code of conduct by Putin, the European Union has to show clearly that there are norms and principles more important than profits and energy considerations: in line with above mentioned two-track strategy of balancing containment and anticipating Russian prevailing security perceptions.¹⁷¹

In this case, we can say that Germany, alongside with European Union, had a massive pressure coming from the Western world so their actions were need to be double measured.

Considering the partnership of Russia and Germany, it cannot be expected that Germany will go all the way like the United States and burns the bridges. On the other hand, Angela Merkel's tone was significantly heavier on Ukrainian crises comparing to prior incidents. German Chancellor stated and promised that: "Russia will not 'get away' with 'annexing' Crimea..."¹⁷² The last action of Vladimir Putin was the last drop on the glass of problems; Germany's endurance was also preserving the liberal, democratic values of the country which

¹⁷⁰ Rywkin, Michael. "Russian Foreign Policy at the Outset of Putin's Third Term." *The Journal of the National Committee on American Foreign Policy* 34, no. 5 (2012): 232-37. Accessed October 9, 2014. http://dx.doi.org/10.1080/10803920.2012.721321.

¹⁷¹ Panke, Julian. "Enemy at the Gates? How the EU Should Cope with Russia in Its Eastern Neighbourhood." *IEP Policy Briefs on Eastern Europe and Central Asia*, no. 2 (2014): 4-5. Accessed August 5, 2014. http://iep-berlin.de/wp-content/uploads/2014/08/policy-brief_Paenke.pdf.

¹⁷² Paterson, Tony, Peter Foster, and Bruno Waterfield. "Angela Merkel: Russia 'will Not Get Away' with Annexation of Crimea." *The Telegraph*, March 12, 2014. Accessed August 17, 2014. http://www.telegraph.co.uk/news/worldnews/europe/ukraine/10693400/Angela-Merkel-Russia-will-not-get-away-with-annexation-of-Crimea.html.

contradicts arbitrary violations of international law. Vladimir Putin's reaction came immediately and he accused Western partners and their imposition of principles on the other countries, he commented: "I hope pragmatism will still prevail. The West will get rid of ambitions, pursuits to establish a 'world barracks'- to arrange all according to ranks, to impose uniform rules of behavior and life of society."¹⁷³ In the Russian case, they try to legitimize their annexation of Crimea while not breaking the bonds with their beneficial partners. Accusation of the influence on other countries can have the purpose of divided West against them. Contrary to Putin's wish, Angela Merkel thinks that all Europe should be tough against Russia's actions and "all European Union countries from Lisbon to Riga"¹⁷⁴ should have a common attitude.¹⁷⁵ Germany, not only deciding about its own policy but Berlin has a huge impact on the European Union foreign policy agenda. Therefore, we can say that European Union camp became the criticizer of Russia after the annexation of Crimea, thanks to political influence of Germany.

There are different voices inside of Germany on the politics against Russia, naturally, coming from politicians and business sector. One of these names was former German chancellor Helmut Schmidt; Schmidt criticized the Western reaction to Russia's annexation of Crimea. According to him Putin's approach to Crimean case was "completely understandable"¹⁷⁶ while any sanctions against Russia will hit West too.¹⁷⁷ In another case, German business periphery is not satisfied with the hard political/economical sanctions against Russia; according to them, it will also hit German business. In the automobile sector, Germany is

¹⁷³ "Putin to West: Stop Turning World into 'global Barracks,' Dictating Rules to Others." *Russian Times*, July 2, 2014. Accessed August 18, 2014. http://on.rt.com/bwxy6z.

¹⁷⁴ Paterson, Tony, Peter Foster, and Bruno Waterfield. "Angela Merkel: Russia 'will Not Get Away' with Annexation of Crimea." *The Telegraph*, March 12, 2014. Accessed August 17, 2014. http://www.telegraph.co.uk/news/worldnews/europe/ukraine/10693400/Angela-Merkel-Russia-will-not-get-away-with-annexation-of-Crimea.html.

¹⁷⁵ Ibid.

¹⁷⁶ "Russia's Actions in Crimea 'completely Understandable' – German Exchancellor."*Russian Times*, March 26, 2014. Accessed September 17, 2014. http://on.rt.com/xlbez4.

currently the biggest exporter to Russia in the European Union.¹⁷⁸ Therefore, the automobile companies will be the most vulnerable ones to tension with Russia. Karl-Thomas Neumann, owner of carmaker Opel gave a speech to Automobilwoche magazine, saying the German automobile companies "already feeling the stresses and strains from the changing course of the ruble,"¹⁷⁹ Nevertheless the domestic opposition, Merkel government is decisive about the sanctions against Russia for their aggressive policies. These sanctions include: asset freezes, visa bans, breaks on critical high technology and military exports to Russia, possible locked out of Russia from Swift (money transfer) system.¹⁸⁰ The naked steps of Angela Merkel on Russian policy left not much doubts about the intimidation of Germany by Vladimir Putin politically. In fact, related to the sanctions on, Russian economy can be damaged hard and comparing to Germany's loss, Russia's case will be more biting.

Crimea Incident was a milestone for Russo-German relations; even though it did not entirely change the cooperation, surely had serious effects on it. Germany's reaction was a suspicion on Western world's mind due to the diplomatic/relatively soft approach to Georgian conflict in 2008¹⁸¹. However, Germany, under Angele Merkel government, had a strict posture against the annexation of Crimea since the beginning of the incident. Despite the some domestic opposition, Germany insisted on broad political and economical sanctions against Russia punish their arbitrary move. In addition, Merkel desired a unity of European Union for these sanctions in response to Putin's criticism of

¹⁷⁸ "Merkel Not Ready to Back Economic Sanctions against Russia." *Russian Times*, March 27, 2014. Accessed September 5, 2014. http://on.rt.com/leidbf.

¹⁷⁹ Ibid.

¹⁸⁰ Matlack, Carol, Henry Meyer, Arne Delfs, and Matthew Philips. "Germany's Merkel Gets Tough on Russia." *Bloomberg Businessweek*, April 17, 2014. Accessed July 15, 2014. http://www.businessweek.com/articles/2014-04-17/germany-mulls-harshsanctions-on-russia-dot-will-europe-follow.

¹⁸¹ Beste, Ralf, Markus Feldenkirchen, and Alexander Szandar. "Germany and the Caucasus Conflict: Merkel's Most Serious Foreign Policy Crisis." *Der Spiegel*, August 18, 2008. Accessed July 9, 2014. http://www.spiegel.de/international/world/germany-and-the-caucasus-conflict-merkel-s-most-serious-foreign-policy-crisis-a-572726.html.

Western camp against Russia. These sanctions backed up by Germany have a high possibility of causing serious consequences on Russian economy and industry.

4.2. Gazprom: Energy Giant or Political Trump?

"The [gas] pipelines are our legacy from the Soviet Union. We intend to retain state control over the gas transportation system and over Gazprom. We are not going to divide Gazprom. The European Commission had better forget about its illusions. As far as the gas is concerned, they will have to deal with the Russian state." ¹⁸²

Vladimir Putin, Russian President

Skepticism on Russian political case was not only limited with political arena, Russian commercial sector was also under attention. If Crimea was explained under political skepticism label, in the commercial skepticism blended with political questions Gazprom is the best candidate for this section. Gazprom: is it a simple energy company, a political hardware, symbol of the Russian power or all of the above? Even though there is no clear answer to that question, we know Gazprom is one of the notorious (maybe the most popular) Russian energy company; dominating its field of work in Europe and in the world.¹⁸³ Besides the economical success, there is a debate going over the company on the political matters. Germany's energy dependency and Gazprom's bustles in the German soil created a fear that if Germany will politically fall to Russia by using energy

¹⁸² Rosner, Kevin. *Gazprom and the Russian State*. London: GMB, 2006. 5.

¹⁸³ "Europe." Gazprom. Accessed July 11, 2014. http://www.gazprom.com/about/marketing/europe/.

companies.¹⁸⁴ However, the company's actions in Germany can be seen as commercial ones and it is important to signify similar German companies' investments in the Russian soil.¹⁸⁵ The problem is more in the Eastern Europe; state owned company's (Gazprom) actions in Eastern Europe bring dubiousness at the side; scholars and officials seek for political motivations under some energy contracts with some states.¹⁸⁶ Considering the Vladimir Putin's political agenda that struggles for influence in the region; using the giant energy company as a hidden weapon is a possible presumption. According to Richard E. Ericson:

Since Putin's reelection in 2004, however, it has become increasingly clear that Russia intends to exercise that market power, and the implicit threat that stands behind it, to achieve far more than merely economic objectives. Indeed, Putin has made it clear that Russia views its position, as critical supplier, as a key to restoring Russian influence in the world, and in particular in its own neighborhood, the 'near abroad' consisting of the newly independent states of the former Soviet Union.¹⁸⁷

Gazprom is the symbol of Russian natural gas monarchy in the Europe and the actions of this company affects the relationship Germany alongside with other EU members. Conduction of Moscow on the Gazprom conceives the uncertainties.

Gazprom is a huge energy company with various assets; the size of this company makes it more influential and we can consider it as a small size country with its income and effectiveness. In 2005, Gazprom took about 65 percent of the revenues from the European soil and it was the equivalence of 8 percent of the

¹⁸⁴ "Gazprom and Wintershall Sign Master Agreement To swap Assets." Gazprom. December 23, 2013. Accessed September 15, 2014. http://www.gazprom.com/press/news/2013/december/article181323/.

¹⁸⁵ Brinded, Lianna. "European Economy 2014: Recovery Fragile as Russian Sanctions Hurt Trade." International Business Times. August 21, 2014. Accessed October 7, 2014. http://www.ibtimes.com/european-economy-2014-recovery-fragile-russiansanctions-hurt-trade-1665462.

¹⁸⁶ Webb, Tim, and Neil Barnett. "Gas: Russia's Secret Agenda Energy Supply Is a 'political Weapon'" *The Independent*, January 8, 2006. Accessed July 18, 2014. http://www.independent.co.uk/news/business/analysis-and-features/gas-russias-secret-agenda-energy-supply-is-a-political-weapon-522002.html.

¹⁸⁷ Ericson, Richard E. "Eurasian Natural Gas Pipelines: The Political Economy of Network Interdependence." *Eurasian Geography and Economics* 50, no. 1 (2013): 28-57. Accessed March 18, 2014. http://dx.doi.org/10.2747/1539-7216.50.1.28.

Russian GDP; in fact, one quarter of the total Russian GDP is dependent to export of energy.¹⁸⁸ In a situation like this in Russia, energy companies are the biggest holdings of the Russian government, speaking both economically and politically. The question is if Moscow abuses this power instead of making Gazprom a profitable commercial company for the Russian budget. According to Karen Smith Stegen, the answer is yes.¹⁸⁹ However, Stegen explains the energy weapon model and states that Russia is still is in the process making Gazprom a weapon. According to her there are four stages in this process: first "the state must consolidate the country's energy resources", second stage states that "the state must acquire control of transit routes", third " the state must use the energy resources in an attempt to further its own political objectives by-either implicitly or explicitly-threatening, punishing, or rewarding a targeted client state", fourth and the last one is "the reaction of the dependent government to the threats, price hikes or cut offs."¹⁹⁰ Looking at the Stegen's thesis, Russia provides the majority of the stages with owning Gazprom and following a political agenda. On the other hand, looking to Germany's case, especially fourth stage indicates that Russia does not rise as an energy weapon against Germany. Several disputes between states display the Germany governments political shift range that contradicts the Russian one. There is an interdependence surrounded by economical benefits.

¹⁸⁸ Ibid.

¹⁸⁹ Stegen, Karen Smith. "Deconstructing the "energy Weapon": Russia's Threat to Europe as Case Study." *Energy Policy* 39, no. 10 (2011): 6505-513. Accessed October 14, 2014. doi:10.1016/j.enpol.2011.07.051.

¹⁹⁰ Ibid.

 Table 1: Gazprom's share in Russian Natural Gas Industry

Russia's natural gas production by company, 2012

Company	Bcf/d
Gazprom	47.1
Rosneft	1.2
LUKoil	1.6
Surgutneftegaz	1.2
TNK-BP	1.3
Others	1.6
ITERA	1.2
Novatek	5.5
PSA operators	2.6
Total	63.4

(Source:"Russia." U.S. Energy Information Administration (EIA). March 12, 2014. Accessed August 6, 2014. http://www.eia.gov/countries/analysisbriefs/Russia/russia.pdf.)

Gazprom's activities in other European countries remain as a political threat even though Germany is not politically intimidated. Relatively weaker Eastern European and Baltic states were on the target of the energy giant. Problematic Ukraine with Orange Revolution, pro Western governments and gas disputes were in the first place for Moscow's political punishment via Gazprom. In 2006, Gazprom quadrupled the price of natural gas to Ukraine overnight; the new tariff was \$230 per thousand cubic meters. It is a huge difference comparing to pro-Russian Belarus government was using the gas with the tariff of \$47 per thousand cubic meters.¹⁹¹ Moscow was punishing the Western oriented political movements in Ukraine and the new political agenda of Vladimir Putin contained energy prices; considering the position of Ukraine, they did not have many options for energy besides Russian natural gas. Another political intimidation case of

¹⁹¹ Webb, Tim, and Neil Barnett. "Gas: Russia's Secret Agenda Energy Supply Is a 'political Weapon'" *The Independent*, January 8, 2006. Accessed July 18, 2014. http://www.independent.co.uk/news/business/analysis-and-features/gas-russias-secret-agenda-energy-supply-is-a-political-weapon-522002.html.

Gazprom was in Armenia; in 2006, Gazprom threatened to significantly increase gas prices to Armenia but changed this decision after a major control over the construction of a gas pipeline from Iran. If the Iranian pipeline was constructed, it was going to create a potential for less dependency for Armenia, Ukraine, Georgia and European Union to the Russian gas.¹⁹² Gazprom's actions rely on Russia's interests with cutting commercial rivals while holding the political influence of Russia on the region. One other and the one of the most interesting case of Gazprom political pressure was in a tiny Baltic state; Lithuania, but this time this tiny state had risen its voice against Russia. In 2013, Aleksandras Spruogis, Lithuania's vice-minister for energy gave a comment to Financial Times saying: "Our strategy for energy independence is part of our overall independence strategy as well."¹⁹³ In the aim for that Lithuania sued Gazprom for overpricing them; related to Baltic state's role in EU and NATO.¹⁹⁴ Vilnius prosecuted a € 1.4 billion legal action at the Stockholm Arbitration Tribunal for Russia's alleged price fixing.¹⁹⁵ Lithuanian case showed the political way of Gazprom on the international level and let it know that Gazprom was seen as a political threat in Europe. Especially Eastern Europe and Baltic states are under the big pressure of Gazprom; the company does not hesitate to arrange prices to intimidate the independent politics of these states. While dealing with numerous accusations, Moscow does not step back from the controlling of the energy company. Furthermore, Vladimir Putin personally backs up Gazprom in international level of accusations. Humorously, one Gazprom's Russian PR man was asked if he gives

¹⁹² Balmaceda, Margarita M. "Corruption, Intermediary Companies, and Energy Security: *Lithuania's Lessons for Central and Eastern Europe*." *Problems of Post-Communism* 55, no. 4 (2014): 16-28. Accessed January 14, 2015. http://dx.doi.org/10.2753/PPC1075-8216550402.

¹⁹³ Milne, Richard. "Lithuania Claims Gas Price Victory in Battle with Gazprom." *Financial Times*, May 13, 2014. Accessed September 19, 2014. http://www.ft.com/intl/cms/s/0/2b6f3ef0-dab2-11e3-9a27-00144feabdc0.html#axzz3Oj1GrcnF.

¹⁹⁴ Ibid.

¹⁹⁵ Nielsen, Nikolaj. "Lithuania Suing Russian Energy Giant Gazprom." Lithuania Suing Russian Energy Giant Gazprom. October 4, 2012. Accessed March 29, 2014. https://euobserver.com/foreign/117743.

attention to company, the reply was ironic: "No, Mr. Putin is looking after Gazprom".¹⁹⁶

4.2.1. Controversial Gazprom Deals in Germany

The actions of Gazprom were got attention in Germany. The company's commercial presence in the European soil overshadowed Russo-German cooperation with political suspicions. On the oher hand, the thesis brings out the commercial pragmatism of the relationship contrary to political dependence and because the effect of Gazprom (Russia) is highly integrated in German soil¹⁹⁷; it would have commercial results instead of a political intimidation of Germany to Russia.

The recent deals on the German and some European reserves show us Germany planned their energy future seeing Russia as the main actor. Wintershall, sub company of the Bayer chemicals giant, sells notorious part of Germany's natural gas infrastructure to Gazprom. In return, Wintershall is being granted by taking the right of direct access to Russian natural gas fields.¹⁹⁸ This agreement may provoke questionable debastes in Germany due to its characteristic of giving sovereignty right to a politically unstable, unpredictable Russia. Besides, there are numerous cases against Gazprom in Eastern Europe that their deals are not transparent and involved in political manipulations. Considering that, Gazprom's' activities in Germany will be questioned widespread; on the other hand we can say that commercial agreements in Germany, even though having some sort of

¹⁹⁶ Webb, Tim, and Neil Barnett. "Gas: Russia's Secret Agenda Energy Supply Is a 'political Weapon'" *The Independent*, January 8, 2006. Accessed July 18, 2014. http://www.independent.co.uk/news/business/analysis-and-features/gas-russias-secret-agenda-energy-supply-is-a-political-weapon-522002.html.

¹⁹⁷ "Germany." Gazprom Export. Accessed June 25, 2014. http://www.gazpromexport.ru/en/partners/germany/.

¹⁹⁸ Uhlig, Christian. "Controversial Deal - A German Natural Gas Storage Facility and Gazprom." *Deutsche Welle*, March 18, 2014. Accessed June 3, 2014. http://dw.de/p/1BS5r.

political intention, can be matched with counter German investments¹⁹⁹ in Russia and it is hard that Germany will fall to Russian political agenda after some economical agreements with Gazprom.

In the end of 2013, Alexey Miller, Chairman of the Gazprom Management Committee and Harald Schwager, Chairman of the Supervisory Board of Wintershall Holding signed an asset swap agreement between Gazprom and Wintershall Holding. The agreement includes; Gazprom's stake increase in European gas trading and storage companies WINGAS, WIEH and WIEE to 100 percent and 50 percent stake increase in WINZ dealing in hydrocarbon exploration and production in the North Sea. In return, Wintershall would access to a 25.01 percent share in the Achimov deposits project of the Urengoyskoye oil, gas and condensate field.²⁰⁰ After the deal, Alexey Miller commented:

The demand for Russian natural gas is steadily growing in Europe. An increase of Gazprom's presence in the wholesale market as well as a potential outreach to retail consumers considerably strengthen our positions not only in Germany but in other European countries, too. The deal with our German partners also gives us access to promising offshore projects in the North Sea. It is an excellent opportunity for the Company's growth,²⁰¹

These activities of the Russian energy company, especially on the German soil, seemed for a political decoy; furthermore making Germany more dependent to Russian gas may have been in the agenda of Vladimir Putin.

The eager for the European market forms one of the main agendas for Russia. Germany was the key to access Europe due to its position in the European Union and strategic partnerships since the Soviet Union. However, recent events showed that Russia is not a reliable economical and political partner, even though

¹⁹⁹ "German Firms in Russia: Lovers Not Fighters." *The Economist*, March 15, 2014. Accessed August 9, 2014. http://www.economist.com/news/business/21599034-german-exporters-are-pushing-back-against-economic-sanctions-russia-lovers-not-fighters.

²⁰⁰ "Gazprom and Wintershall Sign Master Agreement To swap Assets." Gazprom. December 23, 2013. Accessed September 15, 2014. http://www.gazprom.com/press/news/2013/december/article181323/.

²⁰¹ Ibid.

it did not affect Germany directly. Ukrainian and Georgian cases showed Germany might not rely on Russia for future plans.²⁰² The deal with the Gazprom were highly criticized in Germany related to its index; giving control to Russia on German facilities. The opposition Grunen Bundespartei explained their concerns about the agreement. MP Marieluise Beck told Financial Times: "Hopefully, it is not too late. We are very much concerned that we are increasing our dependency on Gazprom at time when Vladimir Putin. . . has embraced nationalism and is using foreign policy for domestic political ends."²⁰³ Meanwhile, Norbert Röttgen, chairman of the Bundestag's foreign affairs committee and a leading member of chancellor Angela Merkel's centre-right CDU party, also raised concerns about the deal."This is not the right response to the crisis. On the contrary, it is deepening our dependence on Russia,"²⁰⁴ he told the FT.

Contrary to that, there is a mutual interdependence in Russo-German relationship. Germany's case is different from Eastern European or Baltic states, because while Gazprom has a one way influence to these countries, Germany and Russia shares a common economic cooperation. Russia can have the natural resources but in return, Germany has the advanced technology. Germany (Europe)'s technological advantages create a form of insurance in the energy game.²⁰⁵ Germany should play its own cards to balance Russia's political adjurations and they do this currently. Even though Russia holds large natural gas resources, Germany is one of the biggest customers for Gazprom²⁰⁶; there are also other suppliers for the demand. Struggling from embargos for years, Iran could not

²⁰² Feklyunina, Valentina. "Russia's International Images and Its Energy Policy. An Unreliable Supplier?" *Europe-Asia Studies* 64, no. 3 (2012): 449-69. Accessed June 9, 2014. http://dx.doi.org/10.1080/09668136.2012.661923.

²⁰³ Wagstyl, Stefan. "Gazprom Deal in Germany Raises Alarm." *Financial Times*, March 26, 2014. Accessed October 18, 2014. http://www.ft.com/intl/cms/s/0/488fa430-b437-11e3-a09a-00144feabdc0.html#axzz3Oj1GrcnF.

²⁰⁴ Ibid.

²⁰⁵ Paillard, Christophe-Alexandre. "Russia and Europe's Mutual Energy Dependence."*Columbia-SIPA Journal of International Affairs* 63, no. 2 (2010): 65-84. Accessed January 17, 2014. http://jia.sipa.columbia.edu/russia-and-europes-mutual-energy-dependence/.

²⁰⁶ "Germany." Gazprom Export. Accessed June 25, 2014. http://www.gazpromexport.ru/en/partners/germany/.

have a chance to enter the global natural gas market; however, the recent developments between United States and Iran, and Iran's role against the ISIS fighters in Iraq can ease up the Western attitude against this country²⁰⁷ and may turn them a rival to Russian gas. Considering Russia's various disputes for the last 6 years with the West, Iran can be the better of the two evils. Furthermore, Russian economy is highly dependent on the energy exports and they cannot control the energy prices globally; Saudi Arabia, North Africa, Venezuela, Iran; they are the other actors in the energy sector²⁰⁸ so any price change can dramatically change Russia's economic miracle. Germany, as one of the main exporters to Russia will have an impact on the decision making of Moscow and Putin cannot overcome the loss of a close partner in the Western Europe; that can result in Russia's way back to Asia for political integration while having all the West opposing it.

Gazprom's intense deals in Germany were seen highly suspicious from domestic and international scholars and journalists. Considering Gazprom's political role in the Eastern Europe, Baltic as the intimidator of Moscow's political agenda, Germany's future was uncertain related to gas dependency.²⁰⁹ However, the concept of Russo-German relations continues as a symbiotic form; they enjoy a common beneficial partnership. On the other hand, Germany's political/economical shifts can result in serious cases on Russia's relationship with hall Europe; besides the alternative gas resources such as Iran (with its softening dialogue with West under Ruhani regime)²¹⁰, Russia's economy may not handle the loss of Germany exports, a huge client and a Western European partner.

 ²⁰⁷ Labott, Elise, and Jim Sciutto. "U.S. Opens Channels with Iran over ISIS." CNN, November
 7, 2014. Accessed December
 6, 2014. http://edition.cnn.com/2014/11/06/politics/obama-iran-isis-letter/.

²⁰⁸ "Member Countries." OPEC. Accessed October 27, 2014. http://www.opec.org/opec_web/en/about_us/25.htm.

²⁰⁹ Wagstyl, Stefan. "Gazprom Deal in Germany Raises Alarm." *Financial Times*, March 26, 2014. Accessed October 18, 2014. http://www.ft.com/intl/cms/s/0/488fa430-b437-11e3-a09a-00144feabdc0.html#axzz30j1GrcnF.

 ²¹⁰ Labott, Elise, and Jim Sciutto. "U.S. Opens Channels with Iran over ISIS." CNN, November
 7, 2014. Accessed December
 6, 2014. http://edition.cnn.com/2014/11/06/politics/obama-iran-isis-letter/.

4.2.2. European Commission vs. Gazprom

European Commission's actions against Gazprom are vital because of the recoginition of Gazprom's risky presence and political indepence of Europe and Germany. Gazprom's inadaptable actions in the European soil took the attention of the European political body: European Union Commission. In September 4, 2012, European Commission promulgated a press release that states the European Commission opened a formal charge to investigate if Gazprom, the Russian producer and supplier or natural gas, may be blocking competition in Central and Eastern European gas markets, in breach of EU antitrust rule. Furthermore, the commission was going see this case as a priority.²¹¹

This case is important for the recognition of Gazprom's political agenda (hided in the economical disorderliness) by a European political body. This antitrust case exhibits the European Union's wish to Gazprom play to game with the rules if they want to do business with European countries. Furthermore, considering the Vladimir Putin's reaction²¹², European Commission faces against the Russian political repercussion. Similar to Germany, European Union is aware of Moscow's abuse of energy relations on some of its members so the attitude is clear and surrounded by European values and norms. Supporting the European Commission's charges against Gazprom, Ukrainian Naftogaz CEO Andriy Kobolyev stated Gazprom breaches EU law on an interview about the Gazprom's role on Ukraine-Slovakia gas relationship. Kobolyev said:

No, it is against the EU law. We are in permanent discussion with European Commission. If you look at the implementation of the 3rd Energy Package, it is going from the Western to Eastern European countries. So, slowly, bit by bit, these changes are being implemented at different interconnectors. It is a matter of time. So people understand it is against EU law but there should be more some efforts...²¹³

²¹¹ "Press Release - Antitrust: Commission Opens Proceedings against Gazprom." European Commission. September 4, 2012. Accessed January 14, 2015. http://europa.eu/rapid/press-release_IP-12-937_en.htm.

²¹² Rosner, Kevin. *Gazprom and the Russian State*. London: GMB, 2006. 5.

Basically, the European Commission wanted to balance Gazprom's political instrument in the Eastern Europe due to complaints from the European Union members from the eastern regions. Fearing from future threats from Gazprom to all the European Union countries, EU wanted to clarify its positions against political intimidation. It is vital development that European Union officials make sure Russian companies will accept the market regulations in Europe.

4.3. Conclusion

In the relationship between Russia and Germany, political disputes take a significant place to understand the dynamics of this cooperation. In Russia's case, political suspicions on the Russia saw dramatic rise after the second term of Vladimir Putin related to aggressive actions of Russia in the region.²¹⁴ Germany, as a country integrated European liberal values, had clashes with Russia on the arbitrary actions. Crimea was the boiling point of the continuous tension; the annexation of Crimea was responded highly tough by the Angela Merkel's side²¹⁵; contrary to broad criticism of Germany's being politically soft to Russia. Economical/political sanctions backed up by Germany got into the procedure against Russia. These sanctions were hard enough to shake Russia's political/economical influence and German government put an end to Russian intimidation rumors.²¹⁶ Furthermore, Russian energy giant Gazprom's several

²¹³ Badida, Jozef. "Gazprom's Position Is Breaching EU Law." Naftogaz of Ukraine. December 21, 2014. Accessed December 28, 2014. http://www.naftogaz.com/www/3/nakweben.nsf/0/1B24682A3F164DFEC2257DB60044 1068.

²¹⁴ Rywkin, Michael. "Russian Foreign Policy at the Outset of Putin's Third Term." *The Journal of the National Committee on American Foreign Policy* 34, no. 5 (2012): 232-37. Accessed October 9, 2014. http://dx.doi.org/10.1080/10803920.2012.721321.

²¹⁵ Paterson, Tony, Peter Foster, and Bruno Waterfield. "Angela Merkel: Russia 'will Not Get Away' with Annexation of Crimea." *The Telegraph*, March 12, 2014. Accessed August 17, 2014. http://www.telegraph.co.uk/news/worldnews/europe/ukraine/10693400/Angela-

Merkel-Russia-will-not-get-away-with-annexation-of-Crimea.html.

operations on some countries brought the question if the company works as Moscow's political weapon. Looking at the cases in the Eastern Europe, Baltic States; Gazprom's contracts and price allegations were political driven to punish Western oriented government on those countries.²¹⁷ These operations took the attention of European Commission also that the organization claimed a file against Gazprom's suspicious acts; that was vital that a European Union body recognized the unreliability of Gazprom and wanted it to follow European regulations.²¹⁸ On the other hand, Gazprom's giant contracts, asset purchasing²¹⁹ in the German soil created another fear in the Western world about the dependency of Germany to Russia politically. However, considering Gazprom as a supplier, Germany has its own advantages against it like different gas suppliers, economical impact and technological superiority to Russia.²²⁰

²¹⁶ Paterson, Tony, Peter Foster, and Bruno Waterfield. "Angela Merkel: Russia 'will Not Get Away' with Annexation of Crimea." *The Telegraph*, March 12, 2014. Accessed August 17, 2014. http://www.telegraph.co.uk/news/worldnews/europe/ukraine/10693400/Angela-

Merkel-Russia-will-not-get-away-with-annexation-of-Crimea.html

²¹⁷ Webb, Tim, and Neil Barnett. "Gas: Russia's Secret Agenda Energy Supply Is a 'political Weapon'" *The Independent*, January 8, 2006. Accessed July 18, 2014. http://www.independent.co.uk/news/business/analysis-and-features/gas-russias-secret-agenda-energy-supply-is-a-political-weapon-522002.html.

²¹⁸ "Press Release - Antitrust: Commission Opens Proceedings against Gazprom." European Commission. September 4, 2012. Accessed January 14, 2015. http://europa.eu/rapid/press-release_IP-12-937_en.htm

²¹⁹ Wagstyl, Stefan. "Gazprom Deal in Germany Raises Alarm." *Financial Times*, March 26, 2014. Accessed October 18, 2014. http://www.ft.com/intl/cms/s/0/488fa430-b437-11e3-a09a-00144feabdc0.html#axzz30j1GrcnF.

²²⁰ Gay, Mark. "Russia-Germany." *The Moscow Times* 7, no. 49 (2014): 1-20.

CHAPTER V

RUSSIAN DEPENDENCE ON GERMAN MARKET AND GERMANY'S ALTERNATIVE ENERGY METHODS TO REPLACE RUSSIAN NATURAL GAS

The mutual dependence in the economy cannot be explained just with the energy dependence. Germany, as a whole economy, has a huge impact on Russian and Russian economy. Throughout the thesis, the main dependency issue was the energy and Germany dependence to Russian energy. However, German exports, investments and assistment to Russia create an equivalent position for Germany.²²¹ The characteristics of these manufactured German goods are vital to sustain Russian industry and dailylife. Furthermore, the vulnaribility of Russian economy to energy sources will covered in this chapter related to necessity of German market and mutual influence.

On the other hand, contrary to criticism, which state Germany can and must divers its energy sources to free itself from Russia²²², this chapter of the thesis supports the alternative energy technlogies are not feasible for German economy. Therefore, the main idea in this chapter is currently, both countries need each other for a symbiotic cooperation. Therefore, knowing this fact, both countries follow a pragmatic policy towards each other.

 ²²¹ "Russian Federation." German Federal Foreign Office. November 1, 2014. Accessed November 21, 2014. http://www.auswaertiges-amt.de/EN/Aussenpolitik/Laender/Laenderinfos/01-Nodes/RussischeFoederation node.html#doc388422bodyText3.

²²² Lewis, Barbara, and Robin Emmott. "EU Leaders Accelerate Quest to Reduce Energy Reliance on Russia." *Reuters*, March 21, 2014. Accessed November 12, 2014. http://www.reuters.com/article/2014/03/21/us-ukraine-crisis-energy-idUSBREA2K0SV20140321.

5.1. Russian Economy and the German Impact

It has all been talked that Germany and other European countries need and dependent to Russia for energy. Although this resembles a sort of reality, there is also the other side of the mirror; Germany's impact on the Russian economy. Besides the high rates of exported goods to Russia, Germany forms a big market for Russian natural gas²²³; huge energy projects such as Nord Stream pipeline is based on this fact. Furthermore, the characteristic of the German exports to Russia is advanced ones that have the footprint of improved German industry. Even though industrialized in the Soviet Times, Russia still is under the technical superiority of Europe in exchange of raw materials. On the other hand direct investments of the German companies on the Russian soil, helps the economical development of the country after the capitalist transformation.²²⁴ The economic cooperation of Russia and Germany is a symbiotic one that benefits both countries; so despite of political disputes they need each other for the future economical plans.

Germany is not only one of the biggest economies in the Europe but in the world, according to World Trade Organization International Trade Statistics(2012); " in 2011 Germany's trade surplus was 40% (higher than China's), second largest trader in commercial services with \$542 billion, covering %8.3 of the world merchandise exports and the closest EU country was France with %3.3."²²⁵ Even though it lacks of natural resources, as a total economy Germany is much bigger than Russia's volume, racing with the United States and China. In a developed economy like this with various goods to export, Russia's

²²³ "Germany." Gazprom Export. Accessed June 25, 2014. http://www.gazpromexport.ru/en/partners/germany/.

²²⁴ Höhmann, Hans-Hermann, Christian Meier, and Heinz Timmermann. "Russia and Germany in Europe: Recent Trends in Political and Economic Relations." *Journal of Communist Studies and Transition Politics* 14, no. 3 (2007): 24-57. Accessed September 25, 2014. http://dx.doi.org/10.1080/13523279808415381.

^{225 &}quot;International Trade Statistics 2012." World Trade Organization. January 1, 2012.AccessedMarch15,2014.http://www.wto.org/english/res_e/statis_e/its2012_e/its2012_e.pdf.

energy trump will cover only one dimension and will not able to crush it. If we look at the bilateral trade relations between Russia and Germany, according to German Federal Foreign Office data:

...even though there was a small decline because of the Crimea crisis; in the first half of 2014 bilateral trade figure indicates a volume of \notin 35.6 billion and the German exports to Russia was \notin 15.6 billion. The main export materials of Russia were raw materials, oil, natural gas and petrochemical products while Germany was exporting mechanical engineering products, motor vehicles, chemical products, agricultural produce. Furthermore, German companies' investment in the Russian Federation was adjacent to \$ 21.3 billion.²²⁶

The key point of this bilateral trade is to observe the types of exported goods; Russia's natural resources are the luck of the country while Germany's exports are processed with exertion.²²⁷ You can buy any brand of water from a market, with minimal taste/price difference, it will provide the benefit to you want: end your dehydration. On the other hand, the difference between a BMW and a LADA will be enormous in performance, durability, engines and performance. In fact, you can see the impact of German companies' effect in Russian daily life. Oliver Bilger from Moscow Times wrote an article about the cooperation between Russia Railways and German engineering company Siemens. Comparing the old times Bilger said:

For many years, traveling by train between Moscow to St. Petersburg was not particularly pleasant. During the day, the journey between Russia's two largest cities took up to six hours. Regular night trains made the trip in eight hours, but for most business travelers, the best option was to board an airplane. That changed in late 2009 with the arrival of the Sapsan. The fast-track train, a joint project by Russian Railways and German engineering giant Siemens, was a flagship initiative for commercial ties between Russia and Germany.²²⁸

²²⁶ "Russian Federation." German Federal Foreign Office. November 1, 2014. Accessed November 21, 2014. http://www.auswaertigesamt.de/EN/Aussenpolitik/Laender/Laenderinfos/01-Nodes/RussischeFoederation_node.html#doc388422bodyText3.

²²⁷ Gay, Mark. "Russia-Germany." *The Moscow Times* 7, no. 49 (2014): 1-20.

²²⁸ McCoy, Lara. "Russia-Germany." *The Moscow Times* 6, no. 40 (2013): 1-16.

The German technology is necessary for Russia, as much as Germany needs for natural gas for its industry.

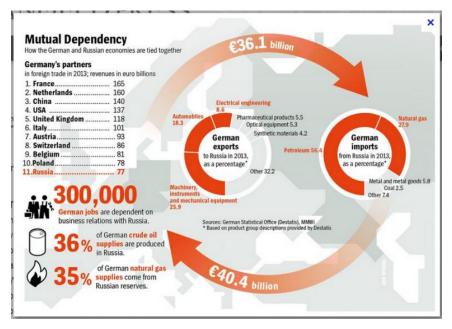


Figure 6: Russo-Germany Mutual Dependency Chart

(Source: Brinded, Lianna. "European Economy 2014: Recovery Fragile as Russian Sanctions Hurt Trade." International Business Times. August 21, 2014. Accessed October 7, 2014. http://www.ibtimes.com/european-economy-2014recovery-fragile-russian-sanctions-hurt-trade-1665462.)

The business sphere of Germany is willing to make business with and in Russia as much as Gazprom's desire in German soil. They also understand the Russian economy's necessity of foreign investment for sustainable industrial production.²²⁹ The words of Michael Harms, chairperson of the German-Russian Chamber of Commerce, explain the motivations of the German firms function in the Russian economy and the exported goods, he says:

Consumers do not see these products but they are essential for the running of the oil and gas industry and Russian domestic industry...Russian

²²⁹ Gay, Mark. "Russia-Germany." The Moscow Times 7, no. 49 (2014): 1-20.

industry is now part of the global market. It is no longer true that Russian industry can do everything on its own...Russian industry as a whole is not competitive on the world market. You can see this from the structure of Russian exports: it is mostly oil and gas with very few manufactured products...there are some interesting branches which can be developed with German and western partners.²³⁰

As Harms explain in his interview; German companies fill the gap in Russian economy and assist it in the progress of development. Looking at the current situation, Russia still has some characteristics of the Soviet Times; large state owned companies and the partly liberal economy create some functional problems integrating at the world's capital economic system with their "managed market economy."²³¹ It also affects the industrial development rate that struggles with out of date technologies. German companies play a vital role in the Russian economy and filling the gap of manufactured goods that Russia needs even for transmitting their energy sources one point to another; natural sources are profitless without the sophisticated technological tools.²³²

As an energy market, Germany provides a big income for the Russian economy. Related to its size and exalted industrial production, Germany requires a high volume of energy sources. In 2014, Germany imported 36 percent of its natural gas and 39 percent of its oil imports from Russian Federation. Furthermore structured pipelines from Russia brings high amount of energy to Germany; through Nord Stream gas pipeline 55 billion cubic meters of natural gas to Germany, through Yamal-Europe gas pipeline 33 billion cubic meters of natural gas have reached to Germany and the Baltic states.²³³ Furthermore, according to The Bruegel Institute's calculation Germany alone uses 90 billion cubic meters of

²³⁰ Ibid.,p,6

²³¹ Ericson, Richard E. "The Russian Economy in 2008: Testing the "Market Economy""*Post-Soviet Affairs* 25, no. 3 (2013): 209-31. Accessed September 25, 2014. http://dx.doi.org/10.2747/1060-586X.25.3.209.

²³² Gay, Mark. "Russia-Germany." The Moscow Times 7, no. 49 (2014): 1-20.

²³³ Fuchs, Richard. "Germany's Russian Energy Dilemma." *Deutsche Welle*, March 29, 2014. Accessed July 6, 2014. http://dw.de/p/1BYGr.

160 billion cubic meters of Russian natural gas export to Europe.²³⁴ These numbers show that Russia has a really functional customer that has a high demand for its product; considering Russian economy's dependency to energy exports, Germany's payments only make up a big portion of the Russian treasury. Russia does not have a big substitute region such as European Union. The best second option can be China, however, Chinese energy consumption mostly rely (69 percent) on coal and the country is the biggest producer/consumer of coal in the world; natural gas just covers 4 percent of the total energy consumption.²³⁵ Politically China can be an ally for balance of power however economically the country is closed, self-sustainable. Geographically, economically European Union is vital for the Russian natural gas and Germany is the biggest customer in this organization. In addition, any price change/ demand change can be catastrophic for Russian economy. Jacek Cukrowski supports the vital role in Russian economy and states Russia owes current power to its energy sources. Cukrowski utters:

The natural resource sector in general and the oil and energy sectors in particular have a more important role in RF than in most countries, Oil and energy resources are among Russia's main exports and domestic supplies are critical for the whole economy...It is estimated that the oil sector is responsible for about 20% of the total revenue of the state budget and 40% of total earnings from exports. Moreover, many countries of the former Soviet Union (FSU) depend on supplies of Russian oil for their fuel and energy need, which gives Russia a special position in the region.²³⁶

Russian economy is vulnerable to energy sector; any move to dispute their flowing energy export will shift the balance of ongoing Russian economy.²³⁷ Germany, as

²³⁴ Ibid.

²³⁵ "China." U.S. Energy Information Administration - EIA - Independent Statistics and Analysis. February 4, 2014. Accessed September 15, 2014. http://www.eia.gov/countries/cab.cfm?fips=ch.

²³⁶ Cukrowski, Jacek. "Russian Oil: The Role of the Sector in Russia's Economy." *Post-Communist Economies* 16, no. 3 (2007): 285-96. Accessed July 16, 2014. http://dx.doi.org/10.1080/1463137042000257528.

²³⁷ Cukrowski, Jacek. "Russian Oil: The Role of the Sector in Russia's Economy." *Post-Communist Economies* 16, no. 3 (2007): 285-96. Accessed July 16, 2014. http://dx.doi.org/10.1080/1463137042000257528.

its biggest importer²³⁸, has a power to create this impact. Even though it seems dependent to Russian energy, they can choose alternatives and these alternative routes would naturally be costly to Germany economy but they have different angles in German economy to substitute this cost in a case of a political crisis with Russia; opposite of Russia's mono crop economy.

Currently, people talk about the dependency of Germany to Russian natural gas and the possible negative impacts of it. However, Russian and German economies are equally dependent to each other. In return, to its raw material exports, Russia gets manufactured goods from Russia that helps to sustain their industrial production. Big investment of German companies improves Russian economy alongside with assisting the country's modernization.²³⁹ On the other hand, Russian economy is highly dependent on the energy exports and Germany is a big market for their products.²⁴⁰ Not many reliable organized alternatives occur for their energy such as Germany and the European Union. Russian and German economies form a symbiotic cooperation which the current trade benefits both partners.

5.2. Alternative Energy Methods to replace Russian Gas

When it is debated about the German's dependency to Russian gas, it is also important to observe the possible replaces of the current supplier to create an beneficial result of this aregument. The debates about the Germany and Europe's dependency to Russian natural gas revived the alternative energy sources to

²³⁸ "U.S. Energy Information Administration - EIA - Independent Statistics and Analysis." Russia. November 26, 2013. Accessed December 15, 2013. http://www.eia.gov/countries/cab.cfm?fips=rs

²³⁹ Gay, Mark. "Russia-Germany." The Moscow Times 7, no. 49 (2014): 1-20.

²⁴⁰ Brinded, Lianna. "European Economy 2014: Recovery Fragile as Russian Sanctions Hurt Trade." International Business Times. August 21, 2014. Accessed October 7, 2014. http://www.ibtimes.com/european-economy-2014-recovery-fragile-russiansanctions-hurt-trade-1665462.

Russia. Mostly for the political reasons, some scholars supported Russia's energy route is not reliable and poses a threat to German political freedom.²⁴¹ However currently, Russian natural gas takes easily accessible and constructed pipelines bring thousands cubic meters of gas to German soil every day. To replace the Russian natural gas, alternative methods should be feasible, cushy, effectual and economical to Germany. There are two alternatives are to be spoken about in the Western political entity; shale gas and liquefied natural gas (LNG).²⁴² Investigating these two methods; this part will focus on the technological developments and possibility these alternatives energy methods of disturbing Russo-German energy cooperation.

5.2.1. Shale Gas

The first alternative energy source is called shale gas; a brand new name for the energy sector we know. According to Shale Training& Education Center (ShaleTEC):

Shale gas refers to natural gas that is trapped within shale formations. Shales are fine-grained sedimentary rocks that can be rich resources of petroleum and natural gas. Sedimentary rocks are rocks formed by the accumulation of sediments at the Earth's surface and within bodies of water. Common sedimentary rocks include sandstone, limestone, and shale.²⁴³

²⁴¹ Fuchs, Richard. "Germany's Russian Energy Dilemma." *Deutsche Welle*, March 29, 2014. Accessed July 6, 2014. http://dw.de/p/1BYGr.

²⁴² Emmott, Robin, and Jan Strupczewski. "Obama Tells EU to Do More to Cut Reliance on Russian Gas." *Reuters*, March 26, 2014. Accessed September 6, 2014. http://www.reuters.com/article/2014/03/26/us-usa-eu-summitidUSBREA2P0W220140326.

²⁴³ "What Is Shale Gas and Why Is It Important?" Pennsylvania College of Technology -ShaleTEC. Accessed October 25, 2014. http://www.shaletec.org/whatis.htm.

Basically this is similar to a natural gas that we can find in the nature and not an artificial procedure. The trick is the technology to get it out; this technology is called as fracking. In fracking procedure, "there is an injection of a fluid under high pressures and this pressure causes the cracks inside of the rock surface"; it is called 'hydraulic fracturing'. After this, crack is filled with chemical compounds to leave them open."²⁴⁴ If became successful and widespread, this energy method can compete with Russian gas; however this is highly related to technological advancement and country's shale gas reserves. Politically speaking, shale gas usage in Germany and in Europe was highly supported by United States. After the Russia's annexation of Crimea, Barack Obama was more clear on his idea that European Union's rely on Russian energy is unacceptable.²⁴⁵ Furthermore, Obama apprised to EU ambassador that extraction of shale gas should be on the agenda of the European Union.²⁴⁶ United State's attitude in this issue is understandable; to punish the Russia's behavior they can even say to Europeans to find natural gas in Mars instead of buying it from Russia. Moreover, throughout the Cold War years, Western Europe was a major ally for the United States, now, at the shadow of Russia, China and Iran, loosing Europe to Russian political entity would be catastrophic for United States. Germany's close cooperation with Russia also may conceive a huge risk in the eyes of US.

²⁴⁴ "Fracking Technology." RWE Dea. Accessed August 27, 2014. http://www.rwe.com/web/cms/en/55182/rwe-dea/know-how/production/fractreatment/.

²⁴⁵ Emmott, Robin, and Jan Strupczewski. "Obama Tells EU to Do More to Cut Reliance on Russian Gas." *Reuters*, March 26, 2014. Accessed September 6, 2014. http://www.reuters.com/article/2014/03/26/us-usa-eu-summitidUSBREA2P0W220140326.

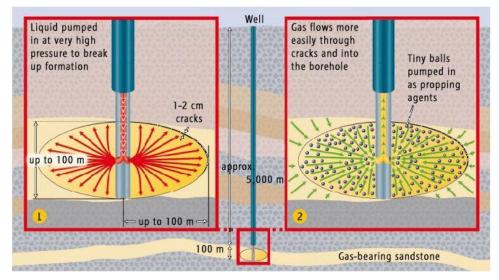


Figure 7: Fracking Technology

(Source: "Fracking Technology." RWE Dea. Accessed August 27, 2014. http://www.rwe.com/web/cms/en/55182/rwe-dea/know-how/production/frac-treatment/.)

Political concerns are valid for the shale gas technology; however, the feasibility of this alternative energy for Germany is doubtful. Even though, fracking will be widespread in near future, based on International Energy Agency data; shale gas can cover only tenth of EU gas demand by 2035 and this is the best case scenario.²⁴⁷ Furthermore, fracking technology is a highly skeptical issue in Germany in environmental matters contrary to United States. Because of pumping of high amount of chemicals at high pressure underground, critics of shale gas "worry that fracking fluids might get into groundwater-holding aquifers and that method uses too much water and risks causing earthquakes."²⁴⁸ Another domestic opposition was from Germany Environment Agency against shale gas, the agency

²⁴⁷ Unger, David J. "Why Europe Can't Hit Russia with Its Biggest Club: Energy Sanctions." The Christian Science Monitor. March 18, 2014. Accessed October 13, 2014. http://www.csmonitor.com/World/Europe/2014/0318/Why-Europe-can-t-hit-Russia-with-its-biggest-club-energy-sanctions-video.

²⁴⁸ Eckert, Vera. "German Shale Gas Reserves up to 22 Trln Cbm - Study."*Reuters*, June 25, 2012. Accessed October 11, 2014. http://www.reuters.com/article/2012/06/25/germany-shale-estimateidUSL6E8HP4FP20120625.

stated that: "it wanted to make fracking practically impossible to head off the risk that technique for extracting gas could contaminate groundwater with chemicals." they also added, "Chancellor Angela Merkel's government draws up new rules on water protection and mining, which will determine future policy toward fracking."²⁴⁹ The technology is a still a new one and is under high debate. Currently shale gas seems not as a rival to Russian natural gas. Despite the primitiveness of technology, the danger of fracking to the nature seems like an issue for German government. As we can remember from the nuclear incident, under the high public pressure, Angela Merkel announced the shutdown of the nuclear plantation after the incident in Fukushima despite of the plants' electricity production. Supporting that, the German government announced on November 2014 that they have "no plans to lift the ban on fracking."²⁵⁰ Shale gas story in Germany went back to the bookshelf for a reasonable time.

5.2.2. Liquefied Natural Gas (LNG)

Another alternative energy source for Germany is liquefied natural gas (LNG). According to Richard Fuchs from Deutsche Welle, Germany (Europe) can diversify the suppliers with the LNG on the world market. Fuchs argues:

Imports of liquefied natural gas from Algeria to Europe could increase. The Netherlands and Norway could also increase their natural gas production. Germany currently gets 24 percent of its natural gas from Norway, 23 percent from the Netherlands and 11 percent from local German sources. Norway could quite quickly produce an additional 20 billion cubic meters. That would mean that LNG imports from there to Germany could be

²⁴⁹ Heller, Gernot. "German Environment Agency Calls for Rules Preventing Fracking." *Reuters*, July 30, 2014. Accessed October 19, 2014. http://www.reuters.com/article/2014/07/30/germany-frackingidUSL6N0Q542C20140730.

²⁵⁰ "No Fracking, We're German! Berlin Reiterates Moratorium on Drilling." *Russian Times*, November 18, 2014. Accessed December 3, 2014. http://on.rt.com/ikrefn.

doubled, increasing them to 60 billion cubic meters, according to the numbers that the Bruegel institute provides.²⁵¹

However there are some obstacles on this matter; first of all LNG are carried with tankers and ships which add a considerable amount of transportation fees to the German budget; secondly, the amount of LNG cannot compete with the volume of Russian natural gas; Nord Stream pipeline was constructed to provide enough source for Germany industry, replacing it with slow, small LNG would be unfeasible²⁵²; third, LNG exporter countries such as Algeria or Qatar will have problems in energy security: as a North African country faced Arab Spring²⁵³, Algeria is no more reliable than Russia politically. On the other hand Qatar is an absolute monarchy and geographically so far to Germany.²⁵⁴; and fourth, despite the conflicts Germany enjoys the energy cooperation with Russia and LNG alternative would be the result of the pressure of US that Germany would not desire to sustain its free political agenda. Will Pearson, director for global energy and natural resources at Eurasia Group in London, state that replacing Russian gas would not be really possible, Pearson explains: "There will be high costs for a complete switch. Russia will continue to be an important supplier to Europe, but I do think the emphasis will be on diversifying capabilities anyway so that they can import other sources when needed."²⁵⁵ Similar to shale gas, LNG does not form an effective alternative energy source to Russian natural gas.

²⁵¹ Fuchs, Richard. "Germany's Russian Energy Dilemma." *Deutsche Welle*, March 29, 2014. Accessed July 6, 2014. http://dw.de/p/1BYGr.

²⁵² Fuchs, Richard. "Germany's Russian Energy Dilemma." *Deutsche Welle*, March 29, 2014. Accessed July 6, 2014. http://dw.de/p/1BYGr.

²⁵³ Feldman, Noah. "Algeria's Forecast: Arab Spring." *Bloomberg View*, April 14, 2014. Accessed August 14, 2014. http://www.bloombergview.com/articles/2014-04-14/algeria-s-forecast-arab-spring.

 ²⁵⁴ Gaub, Florence. "Gas Crisis in Europe and the Alternative Qatari Role." *Al Jazeera*,
 May 18, 2014. Accessed August 19, 2014. http://studies.aljazeera.net/en/reports/2014/05/20145665624846681.htm.

²⁵⁵ Shiryaevskaya, Anna, and Marek Strzelecki. "Europe Seen Paying Twice as Much to Replace Russian Gas." *Bloomberg*, March 28, 2014. Accessed October 18, 2014. http://www.bloomberg.com/news/2014-03-28/europe-seen-paying-twice-as-much-to-replace-russian-gas.html.

Dependency of Germany to Russian energy sources is a trending debate topic in recent studies; in fact, there are also efforts to find replacements to these situations mostly from the United States' side. After the Russian annexation of Crimea, the debate got flared; two alternative energy sources came up to replace Russia's role; shale gas and liquefied natural gas (LNG). Shale gas, as a new technology, contains a potential and started to have its place in the American energy sector.²⁵⁶ However, the process of extracting the shale gas called fracking is highly controversial due to environment concerns. Furthermore, the technology is not advanced yet besides the expensiveness comparing to Russian pipeline systems.²⁵⁷ German government also looked cold to fracking related to skepticism about the method. Another alternative energy source: liquefied natural gas had its own obstacles. These contain; transportation costs, amount problems, energy security in the exporter countries and political pressure.²⁵⁸ To conclude, Germany needs Russian gas and recently there is no feasible alternative to it. However, Germany's political clashes with Russia do not display their desire to end economical ties with their partner. Both Germany and Russia will be benefited from the energy cooperation; and for the political suspicions, the dynamics are not severe enough to create turmoil in energy flow.

²⁵⁶ Brown, P.A, and Mine K.Yucel , " The Shale Gas and Tight Oil Boom: U.S. States' Economic Gains and Vulnerabilities." Council on Foreign Relations, October, 2013. Accessed November 15, 2014, http://www.cfr.org/united-states/shale-gas-tight-oil-boom-us-states-economic-gains-vulnerabilities/p31568

²⁵⁷ Heller, Gernot. "German Environment Agency Calls for Rules Preventing Fracking." *Reuters*, July 30, 2014. Accessed October 19, 2014. http://www.reuters.com/article/2014/07/30/germany-fracking-idUSL6N0Q542C20140730.

²⁵⁸ Shiryaevskaya, Anna, and Marek Strzelecki. "Europe Seen Paying Twice as Much to Replace Russian Gas." *Bloomberg*, March 28, 2014. Accessed October 18, 2014. http://www.bloomberg.com/news/2014-03-28/europe-seen-paying-twice-as-much-to-replace-russian-gas.html.

5.3. Conclusion

To conclude, it has been always debated the vulnerability of Germany to Russian energy sources. In fact, Russian economy is dependent and vulnerable to Germany likewise. The exported goods from Germany to Russia are mostly processed materials, engines and mechanical parts that are crucial for the sustainability of the Russian industrial production. Furthermore, German companies' investment on Russia helps Russian economy to grow alongside the technical assistance of German advanced technology to Russian market.²⁵⁹ In the energy sector, Germany is one the biggest customers of Russia and the Russian economy is highly vulnerable to energy incomes.²⁶⁰ Considering there is no big alternative to European Union as a customer, EU's industrial giant; Germany's role is vital for Russia. Speaking of energy sources, political suspicions of Russian reliability brought the investigation of alternative energy sources to replace Russia's supplier. Shale gas and liquefied natural gas (LNG) were the candidates to balance Russian gas. Shale gas, which is a new technology, still is under development; furthermore contained some hazardous risks for environment. German public and government did not look positive to that technology.²⁶¹ LNG on the other hand, cannot provide the amounts Germany needed, it increases the energy costs and the energy route is no efficient.²⁶² Both alternative energy sources seemed unfeasible for Germany, currently. Russia and German need to continue their energy cooperation besides the political clashes.

²⁵⁹ Gay, Mark. "Russia-Germany." *The Moscow Times* 7, no. 49 (2014): 1-20.

²⁶⁰ Matthews, Bill Powell Owen. "As in the Cold War, Russia Is Vulnerable on Energy."*Newsweek*, April 8, 2014. Accessed November 17, 2013. http://www.newsweek.com/2014/04/18/cold-war-russia-vulnerable-energy-248103.html.

²⁶¹ "No Fracking, We're German! Berlin Reiterates Moratorium on Drilling." *Russian Times*, November 18, 2014. Accessed December 3, 2014. http://on.rt.com/ikrefn.

²⁶² Shiryaevskaya, Anna, and Marek Strzelecki. "Europe Seen Paying Twice as Much to Replace Russian Gas." *Bloomberg*, March 28, 2014. Accessed October 18, 2014. http://www.bloomberg.com/news/2014-03-28/europe-seen-paying-twice-as-much-to-replace-russian-gas.html.

CHAPTER VI

CONCLUSION

After the collapse of the Soviet Union, Russia and Germany got into a close cooperation with each other and Germany, among the Western European countries, was the most interested one in Russia. The 'special relationship' between these countries has its roots from the past centuries, when two empires shared political space, economic goods, cultural ties and even the bloodline among their royal families.²⁶³ Besides the geographic location, Germany had always a face that turned to the East (Russia). Of course, these relationship has its up and downs and conflicts; catastrophic World War II induced an abstruse trauma among both societies and Germany left one side of Berlin to the Soviet Union's hands.²⁶⁴ However, in 70s, despite the Iron Curtain, German government followed an Ostpolitik to Soviet Union that symbolized the special interest of Germany to Russia.²⁶⁵ In return, coming from historical ties, Russia's closest partner was often Germany in the Western Europe.

At the present time, the relationship between Russia and Germany is mentioned with one thing; energy sources. Besides the political affairs, for the last twenty years energy cooperation became a vital instrument to define the characteristic of this cooperation. Germany, as a high industrial country demands its energy sources, mostly natural gas, from the source rich supplier Russian Federation. They have major agreements, pipeline projects, and joint companies

²⁶³ Ralph M. Cleminson and G. I. Vzdornov. "Romanov, House of." *Grove Art Online. Oxford Art Online*. Oxford University Press, accessed January 5, 2014, http://o-www.oxfordartonline.com.library.metu.edu.tr/subscriber/article/grove/art/T073184pg3.

²⁶⁴ "The Berlin Blockade and Airlift." *BBC*. Accessed March 18, 2014. http://www.bbc.co.uk/schools/gcsebitesize/history/mwh/ir2/berlinblockaderev1.shtml.

²⁶⁵ Kleuters, Joost. "Between Continuity and Change: Ostpolitik and the Constructivist Approach Revisited." *German Politics* 18, no. 4 (2009): 519-35. Accessed May 10, 2014. http://dx.doi.org/10.1080/09644000903349424.

for sustainable energy trade.²⁶⁶ At the same time, doubts and fears grow up on this cooperation like an avalanche coming from a high mountain and it gets bigger every day. Some western scholars, politicians, journalists and public think that Germany's dependency to Russian natural gas might give access to path of Russian political influence.²⁶⁷ These concerns were related to Vladimir Putin's aggressive foreign policy agenda after his second presidential term in 2014.²⁶⁸ Struggling to be making Russia a world power again, Vladimir Putin involved directly and indirectly in many conflicts in the region. Since the vacuum of power after the collapse of the Soviet Union, Russian tries to gather this power in the center again and according to some debates, Germany, alongside with Europe, can pay their natural gas bills on the global political arena.

This thesis examines that contrary to the views of some experts who think that Germany's energy dependence on Russia incurs a risk to prevent further cooperation due to Russia's aggressive policies, this thesis argues that Russo-German relations since 2000 are characterized by interdependence which benefits both actors in economic pragmatism and they exercise diplomatic influence over each other. Russia's policies in Eastern Europe and Germany's reactions to the growing Russian influence support this argument.

Mentioned in my argument, contrary to doubts of political influence, Germany showed a big opposition to Russian influence in the Eastern Europe.²⁶⁹ Angela Merkel, who is highly backing up the norms of the European Union,

²⁶⁶ Whist, Bendik Solum. "Nord Stream: Not Just a Pipeline An Analysis of the Political Debates in the Baltic Sea Region regarding the Planned Gas Pipeline from Russia to Germany." *Fridtjof Nansens Institutt*, 2008.

²⁶⁷ Marsh, Sarah. "German Economy Minister Says No Alternative to Russian Gas."*Reuters*, March 28, 2014. Accessed September 5, 2014. http://www.reuters.com/article/2014/03/28/germany-russia-energy-idUSL5N0MP1H820140328.

²⁶⁸ Saakashvili, Mikheil. "Let Georgia Be a Lesson for What Will Happen to Ukraine."*The Guardian*, March 14, 2014. Accessed October 2, 2014. http://www.theguardian.com/commentisfree/2014/mar/14/georgia-lesson-for-ukraine-crimea-referendum-trick.

²⁶⁹ Paterson, Tony, Peter Foster, and Bruno Waterfield. "Angela Merkel: Russia 'will Not Get Away' with Annexation of Crimea." *The Telegraph*, March 12, 2014. Accessed August 17, 2014. http://www.telegraph.co.uk/news/worldnews/europe/ukraine/10693400/Angela-Merkel-Russia-will-not-get-away-with-annexation-of-Crimea.html.

followed a pragmatic way to make sure Germany is a partner of Russia but Russia's aggressive policies cannot be accepted by the Germany.²⁷⁰ Despite the criticism of political passivism, Germany followed diplomatic ways as a state culture until the end and they hardened the tone as we saw in sanctions to Russia after the annexation of Crimea.²⁷¹ Furthermore, there a various political disputes going on between Russia and Germany that disprove the Russian political influence thesis.

Integrated energy cooperation between Russia and Germany creates a mutual benefit for both states. Pipeline projects like Nord Stream provide Germany's huge energy requirements; on the other considering Germany is the biggest market of Russia in the Western Europe, they make good revenue from that trade. Currently there is no feasible alternative to Russian gas and yes Germany is dependent on this sources but it will be beneficial to understand that Russia's economy is vulnerable to energy exports; and finding a reliable market such as Germany is not an easy process in today's geopolitical dynamics.²⁷² Plus, German exports to Russia is vital for the industrial production of Russia due to advanced German machine technology which is superior to Russia's and also German companies assist the technical development in Russia.²⁷³ There is a good possibility about Kremlin's usage of energy giant Gazprom as a political weapon but it is important to remember that Germany is not some small Baltic state, it is the engine of Europe.²⁷⁴ In addition, Vladimir Putin's last wish would be to lose

²⁷⁰ Yoder, Jennifer A. "An Intersectional Approach To Angela Merkel's Foreign Policy." *German Politics* 20, no. 3 (2011): 360-75. Accessed March 17, 2014. http://dx.doi.org/10.1080/09644008.2011.606571.

 ²⁷¹ Paterson, Tony, Peter Foster, and Bruno Waterfield. "Angela Merkel: Russia 'will Not Get Away' with Annexation of Crimea." *The Telegraph*, March 12, 2014. Accessed August 17, 2014. http://www.telegraph.co.uk/news/worldnews/europe/ukraine/10693400/Angela-

Merkel-Russia-will-not-get-away-with-annexation-of-Crimea.html.

²⁷² Cukrowski, Jacek. "Russian Oil: The Role of the Sector in Russia's Economy." *Post-Communist Economies* 16, no. 3 (2007): 285-96. Accessed July 16, 2014. http://dx.doi.org/10.1080/1463137042000257528.

²⁷³ "Press Release - Antitrust: Commission Opens Proceedings against Gazprom." European Commission. September 4, 2012. Accessed January 14, 2015. http://europa.eu/rapid/press-release_IP-12-937_en.htm.

²⁷⁴ Gay, Mark. "Russia-Germany." *The Moscow Times* 7, no. 49 (2014): 1-20.

the closest partner in Western Europe. So this relationship is a win-win situation for Russia and Germany and despite the political tension, they will need each other.

In brief, this thesis leads to the conclusion that Russia and Germany has an interdependent relationship on energy and politics. Coming from the historical ties, since 2000, both states share common interests in this cooperation; and they have economical/political influence on each other. It is a symbiotic form and despite some disputes, it needs to continue related to various paradigms.

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APPENDICES

A. TURKISH SUMMARY

BIRINCI BOLUM

Giris

Uzun seneler boyunce, Rusya ve Almanya; birbirlerini sosyal, siyasal ve ekonomik alanlarda etkileyen, isbirligi icinde olan ve cesitli konularda etkilesim icinde bulunan iki devlet olmustur. Muttefik ya da dusman olarak degisse de bu surec, etkilesim surekli devam etmistir. Bugun ise, 21. Yuzyilin ilk bolumunu yasarken, Rusya kendi cografyasinda yeniden bir guc olarak kullerinde dogarken, ote yandan batida, Almanya uzun bir suredir Avrupa Birliginin ana etmeni ve gucu olarak dunya arenasinda yer almaktadir. Bugun , bu iki devletin iliskilerinde cok onemli, yeni , iliskiye yon veren ve etkili bir arac konusulmaktadir: enerji.

Tezin argumani ve Organizasyonu

Bu tez 2000 den sonraki Rus-Alman iliskilerine detayli bir bakis acisiyla yaklasmaktadir. Bu konuda 5 tane perspektif dogrultusunda ilerlenecektir, bunlar: 1) enerji ve siyasal dinamikler, 2) Rus ve Alman iliskileri'nin tarihteki kokleri ve bu iliskinin su anki ozellikleri, 3) devletler arasindaki siyasi sorunlari, 4) iki ulke arasindaki enerji bagimliligi ve bu bagimliginin olasi siyasi sonuclari, 5) Rusya'nin siyasi motivasyonu konusundaki suphelerdir. 2000 yilindan sonra Vladimir Putin baskanligindaki Rusya, Sovyetler Birligi'nin yikilisindan sonraki travmayi atlatarak , dunya sahnesinde yeniden boy gostermeye baslamistir. Giderek sertlesen Rus dis siyaseti ve otoriterlesen devletin yaninda Rus ekonomisindeki gelismeler de dikkat cekmektedir. Bu ekonomik gelismenin altinda yatan en buyuk sebep is Rusya'nin buyuk enerji ihracati ve son yillarda enerji fiyatlarindaki yukselisin Rus ekonomisine olumlu katkisidir. Ote yandan Almanya ise, yuksek teknolojiye sahip, sanayilesmis bir ulke olup, Sansolye Angela Merkel hukumutenin yonettigi, Avrupa Birligi norm ve ideallerini benimsemis bir ulke olarak goze carpmaktadir. Ancak Almanya enerji kaynaklari konusunda yuksek oranlarda disa bagimli bir ulkedir ve sanayi uretiminin devam etmesi icin bu kaynaklara ulasmasi zorunludur. Aktorlerimiz Rusya ve Almanya'yi bu noktada isbirligine getiren olgu ise enerji kaynaklari (cogunlukla dogalgaz) ticareti olmustur. Ancak bu isbirligi konusunda bazi supheler vardir; bazi yazarlar, akademisyenler ve siyasiler, Almanya'nin bu enerji bagimliligi sonucunda Rusya'nin siyasi etkisi altina girecegini dusunmektedirler.

Bu tez 2000'den bu yana Rus-Alman iliskilerinin karsilikli bagimlilik ve ortak ekonomik cikarlar uzerine kuruldugunu savunmaktadir. Her iki ulke de birbirleri ustunde siyasi etkiye sahiptir. Rusya'nin Dogu Avrupa'da ki politikalari ve Almanya'nin giderek genisleyen Rus etkisine olan tepkisi bu savunmayi destekleyici niteliktedir.Ileriki bolumlerde islenecek olan iki ulke arasindaki siyasi sorunlar da , ulkelerin etki catismasina dikkat cekmekte olup , iliskinin yararci yonu ortaya cikarilmistir.

Bu tezin arastirmasinda, niteliksel dokumanlar ve literatur taramasi kullanilmis olup, bu kaynaklar niceliksel istatistik ve datalarla desteklenmistir. Tezin konusuna paralel olarak 2000 sonrasi kaynaklar cogunluktadir ve bunlar ; arastirma yazilari, makaleler, kitaplar ve gazete haberlerini icermektedir.

Literatur taramasinda, Rus-Alman iliskisine bakisin iki kampa ayrildigi gorulmustur. Birinci kamp; iliskinin tarihten gelen , ozel ve karsilikli cikarlara dayanan bir iliski oldugunu savunurken. Ikinci kamp ise; Rusya'nin bu iliskide siyasal amaclarini on plana cikardigini ve Almanya'nin enerji bagimliliginin onlari siyasi bir baski altina sokacagini dusunmektedir.

Bu tez alti bolumden olusmaktadir. Birinci bolum giris bolumu olup, tezin ana hatlari, ozu, savundugu fikir ve arastirma bulgularini icermektedir. Ikinci bolumde Rus-Alman iliskilerinin koku, ortak paylasimlari ve iki ulkenin su andaki jeopolitik ve ideolojik sorunlari ele alinmaktadir. Ucuncu bolumde Almanya'nin enerji ihtiyaci ve Rusya'nin burdaki rolu , enerji bagimliliginin genel cercevesi ve Kuzey Akim dogalgaz boru hatti projesinin ozellikleri ve etkileri tartisilmistir. Dorduncu bolumde Rus-Alman iliskilerindeki siyasi supheler, ve Rus enerji sirketi Gazprom'un guvenilirligi ele alinmistir. Besinci bolumde Rus ekonomisinin Almanya'ya olan bagimliligi ve Rus dogalgazina alternatif enerji kaynaklarinin Almanya icin ne kadar kullanisli oldugu tartisilmistir. Son bolum ise sonuc bolumudur.

IKINCI BOLUM

Rusya ve Almanya'nin Ozellikleri ve Ikili Iliskiler

Tarih boyunca, gerek siyasi, gerek ekonomik, gerek cografi nedenlerden dolayi Rusya ve Almanya birbirleriyle etkilesimde olan iki ulke olmustur. Imparatorluk zamanlarinda, buyuk bir ekonomik ticaret hacmine sahip olan iki ulke , kulturel olarak da birbirlerine ilgi ve hayranlik duymaktadir. Ayrica Rus kraliyet ailesinde Buyuk Katerina gibi Alman kanindan uyeler bulunmaktadir. Almanya'nin her zaman doguya donuk olan bir yuzu , onu diger Bati Avrupa ulkelerinden farkli kilarak , Rusya ile ozel bir iliski yaratmasina neden olmustur. Bu iliski dogal olarak cesitli savas, catisma ve siyasi calkantilarirla sekteye ugramistir ancak her seferinde yeniden baslamistir. Buna ornek olarak, Avrupa'da muazzam bir yikima neden olan Ikinci Dunya Savasi'ni gosterebiliriz; bu savasta Almanya ve Sovyetler Birligi karsi cephelerde savasmis ve bircok yurttasini kaybetmistir. Savas sonrasi travma , Soguk Savas'inda devreye girmesi ile bir sure daha devam etmis. Ancak Almanya tarafindan 1970 lerde uygulanan Ostpolitik ile yeniden Rus-Alman iliskileri canlanmistir. Sovyetler Birligi'nin yikilmasindan sonra ilerleyen iliskiler, 2000 ler sonrasinda ise enerji isbirliginin de devreye girmesiyle yuksek bir hacim kazanmistir.

Spesifik olarak Rusya ve Almanya'yi incelersek , aslinda birbirlerine cok benzemeyen iki ulke oldugu gorulecektir. Rusya, muazzam toprak genisligi ile, dunyanin en buyuk ulkesi olup, cesitli enerji ve mineral yataklarina ev sahipligi yapmaktadir. Ekonomisi yuksek olcekte enerji ihracatina bagimli gorunmektedir. Siyasi olarak , Vladimir Putin baskanliginda otoriterlesen bir yapiya burunmustur. Dis politikadaki agresif tutum ise Rusya'nin dunya siyasi sahnesinde yeniden soz sahibi olmak istemesine baglanmaktadir. Ulkede yasanan; demokratik olmayan olaylar ve insan haklari ihlalleri ise dikkat cekmektedir. Ote yandan Almanya ise gelismis bir sanayi ve ekonomiye sahip olup; refah seviyesi yuksek bir ulkedir. Angela Merkel hukumetinin yonettigi Almanya, Avrupa Birligi'nin normlari ve ideallerini benimsemistir. Ancak ulkede enerji kaynagi sikintisi vardir, Almanya yuksek olcekle enerji ithalatina bagimli bir yapiya sahiptir. Bu ozelliklere bakarak; enerji kaynaklarinin gunumuzde her iki ulkeyi ortak paydada bulusturan etken oldugu gorulmektedir. Rusya arz, Almanya ise talep konumunda bulunmaktadir.

Siyasi konulara bakacak olursak, bazi iddaalarin aksine Rusya ve Almanya'nin siyasi arenasi sutliman degildir ve ulkelerden bir tanesi baskin bir yapiya burunmemistir. Gunumuzde Rusya ve Almanya arasinda siyasi sorunlara yol acan faktorlerin onemli gorulenleri bu tezde ele alinmistir. Bunlar; 2008 Gurcistan Savasi'ndaki Rusya'nin rolu ve Almanya'nin tepkisi , enerji guvenligi , her iki ulke icin de oneme sahip olan Kaliningrad bolgesi ve ideolojik catismalar olarak siralanmistir. Bu siyasi sorunlarda siyasi, jeopolitik ve insan haklari konularinda Rusya ve Almanya arasindaki gorus ayriliklari one cikmistir. Bu olaylar ise Rus-Alman iliskisindeki pragmatism olgusunu ve bu iliskinin siyasi ustunluge yol acmadigini kanitlar niteliktedir.

Rusya ve Almanya arasindaki iliskilerin temeli tarihsel gercekler ve etkilesimlere dayanmaktadir. Bu iki ulke uzun yillardir ozel bir iliskiye sahiptir. Bunun disinda Rusya ve Almanya gunumuzde farkli dinamiklere sahip olup, gunumuzde ortak paydalari ise enerji isbirligi olmustur. Enerji isbirliginin , Rusya'nin Almanya ustunde siyasi ustunluk kurmasina neden oldugunu

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savunanlarin aksine; iki ulke arasinda gunumuzde cesitli siyasi, jeopolitik ve ideolojik gorus ayriliklari yasanmaktadir. Her iki ulke de siyasi olarak birbirlerini etkilemektedir.

UCUNCU BOLUM

Almanya'nin Enerji Ihtiyaci ve Rusya'dan Beklentileri

Almanya, sanayilesmis bir ulke olup, Avrupa Birligi ve dunyada ihracat sektorunun liderlerindedir. Ancak Almanya'nin enerji kaynaklari, tuketiminin sadece kucuk bir bolumunu karsilamaktadir ve ulke yuksek oranlarda ithal enerji kaynaklarina ihtiyaci duymaktadir. Boyle bir resimde, Almanya'nin enerji partneri olarak Rusya devreye girmektedir. Halihazirda, Avrupa'nin bircok ulkesinin enerji alimi yaptigi Rusya, genis enerji yataklari ile, Almanya icin uygun bir durumda bulunmaktadir. Ancak bazi gorusler, bu bagimliligin Almanya icin siyasi sonuclari dogurabileciginden endiselenmektedir. Bunlara karsin, bu enerji isbirliginin gerekli bir hareket oldugu verilerle de desteklenmektedir. Almanya'nin Rus enerjisini ihtiyaci vardir ve bu ticaret sonucu iki tarafi da tatmin eden sonuclari cikmaktadir.

Almanya ve Avrupa pazarini ele alirsak, enerji sektorunde Rusya agirligini gorebiliriz. Tabii ki dogru olan ekonomik ve siyasi olarak, alim yaptiginiz dogalgaz miktarini farkli saticilara bolmek olsa da, Almanya ve Avrupa'nin konumu buna izin vermemektedir. Bunun nedenlerine bakacak olursak, Rus gazina alternatif enerji kaynaklarinda ya siyasal sorunlar ya da lojistik sikintilar ortaya cikmaktadir. Iran yillardir bati ambargosuyla bogusurken, Kuzey Afrika'yi ele alacak olursak, diktator yonetimlerin altinda uzun yillar geciren bolgede, yakin bir sure once de Arap Bahari halk hareketi etkili olmus ve bolgeyi siyasi olarak instabil hale getirmistir. Bunun disinda Korfez ulkelerinden gelecek dogalgazin miktarinin azligi yaninda, cografi uzaklik da enerji iletimini sekteye ugratacaktir. Ote yandan, cografi olarak Avrupa'ya yakin olan Rusya'nin hali hazirda gelismis dogalgaz boru hatlari ve Almanya ile ortaklasa ele aldigi ileri tarihli projeleri vardir. Bunun disinda, 2011'de Japonya'da gerceklesen nukleer kaza sonrasi, nukleer reaktorleri yaygin kullanan bir ulke olan Almanya, gelen toplum baskisi sonucu, ulkenin guvenligi acisindan bu reaktorleri kapatma karari almistir. Bu karar sonrasi, ulkenin enerji bagimliligi bir miktar daha artmistir Almanya'nin durumu su an tek bir gercekligi gostermektedir; ulkenin dogalgaza ihtiyaci ve cok fazla miktarda ve duzenli ihtiyaci vardir. Rusya'nin rolunu bu anlamda domine edecek bir ulke bulunmamaktadir; ancak bu enerji isbirliginin zorunlulugu Almanya'nin elindeki siyasi ve ekonomik gucu egale etmemektedir.Rusya'nin Bati Avrupa'daki en yakin partneri olarak, Alman sirketleri hem anavatanda hem de Rus topraklarinda faaliyet gostermektedirler. Ayrica Almanya, bu iliski sonucunde, Sovyetler Birligi'nin yikilisindan sonra Rusya'ya hem ekonomik hem siyasi anlamda entegrasyon saglama firsati bulmustur.

Rusya ve Almanya arasindaki enerji isbirligini temsil eden belki de en onemli proje : Kuzey Akim dogalgaz boru hatti projesidir. Bu devasa olcekli proje ikiz boru hatlariyla Baltik Deniz'i uzerinden Rusya ve Almanya'yi birbirine baglamaktadir. Bu projenin her iki ulke icin de siyasi ve ekonomik sonuclari vardir. Rusya icin; bu boru hatti ile sorun cikaran Dogu Avrupa'daki araci ulkeler surplase edilmistir, Almanya ve Avrupa pazarina daha genis entgre olunma firsati yakalanmistir, ihrac edecegi dogalgaz miktari icin ileriye donuk garanti saglamistir. Almanya acisindan ise: dogrudan ve etkin enerji akimini garanti altina almistir; dogalgaz boru hatti Alman topraklarina baglandigi icin Avrupa Birligi'ndeki siyasal ve ekonomik gucunu arttirmistir, araci ulkelerden kaynaklanan maddi kulfetten kurtulmustur ve Rusya'yi kendi siyasi/ ekonomik normlarina entegre etme ve daha fazla kontrol etme sansini yakalamistir. Kuzey Akim dogalgaz boru hatti projesi Rusya ve Almanya arasindaki bagimliligi ve ortak cikarlari gostermesi acisindan sembolik bir projedir.

Almanya'nin yuksek oranda sanayilesmis uretimi , enerji ihtiyacini,kendi kaynaklari sinirli oldugundan dolayi , enerji ithalati ile gerceklesmektedir. Bu senaryoda ise Rusya, Almanya'nin taleplerini karsilabilecek

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en uygun ulke konumunda bulunmaktadir. Alternatif ulkeler ve metodlar Almanya icin surdurulebilir olmayip, Rus-Alman enerji isbirligi bugun icin degistirilemez bir gercek olarak karsimiza cikmaktadir. Ancak bu isbirliginde karsilikli olarak siyasal ve ekonomik kazanclar saglanmakta olup, bagimlilik esasi her iki ulkeyi de kapsamaktadir. Bu baglamda , Kuzey Akim dogalgaz boru hatti projesi karsilikli bagimlilik ve kazanci sembolize eden bir ornek olarak karsimiza cikmaktadir.

DORDUNCU BOLUM

Rus-Alman Isbirligindeki Siyasi Boyutlar

Rusya ve Almanya arasindaki iliskide en cok tartisilan konulardan biri de bu iliskinin siyasal sonuclaridir. Ozellikle Batida, Almanya'nin Rusya'dan giderek daha fazla enerji alimi yapmasi, Almanya'nin siyasal tutumu konusunda endiselere yol acmaktadir. Ozellikler Vladimir Putin'in basa gelmesinden sonra cok daha sert bir tutum alan Rus dis politikasi da bu endiselere mahal vermektedir. Ancak son Kirim olayinda da gozlenebilecegi gibi, Almanya , uluslararasi kriz durumlarinda kendi deger ve siyasi geleneklerine gore haraket etmekte, gereken durumlarda Rusya'a cok sert yaptirimlarda bulunmaktan kacinmamaktadir. Bunun disinda, Rusya'nin dev enerji sirketi Gazprom da bu bolumde incelenmektedir. Gazprom'un ozellikle Dogu Avrupa'da gerceklestirdigi siyasi motivasyonlu anlasmalar, akillara acaba Kremlin enerjiyi , siyasi bir silah olarak mi kullaniyor sorusunu akillara getirmektedir.

Rusya ve Almanya 2000 senesinden sonra siyasi olarak cesitli gorus ayriliklari yasamislardir. Ancak bunlardan en yeni ve en onemlilerinden biri bu sene yasanan Kirim olayi olmustur. Rusya'nin , Ukrayna topragi olan Kirim'i ilhak etmesi tum dunyada sok etkisi yaratmistir. Vladimir Putin batiya meydan okumus ve Soguk Savas gunlerini animsatan olaylar silsilesi dunya siyasi arenasinda etkili olmustur. Rusya'nin bu haraketi Almanya tarafindan cok sert karsilanmistir. Daha once, ozellikle Gurcistan Savasi sirasinda Amerikan medyasi tarafindan cok fazla 'diplomatik' davranmakla elestirilen Angela Merkel , Kirim'in ilhakinda bu soru isaretlerini kafalardan silmistir. Angela Merkel'in arka ciktigi cesitli yaptirimlar Rusya'ya uygulanmistir. Rusya, bu olayda bir detayi atlamistir; artik o da kapitalist dunya ekonomisinin bir parcasi olup, dalgalanmalardan ve yaptirimlardan etkilenecektir. Rus ekonomisinin yuksek olcekte enerji ihracatina bagli oldugunu dusunursek , enerji pazarindaki ortak bir tavirin Rus hazinesini eritebilme ozelligi vardir. Bunun yaninda cok farkli paradigmalar barindiran ve guclu olan Alman ekonomisinin herhangi bir karsi misillemede zarari gorece daha az olacaktir. Almanya, Avrupa Birligi'nin de facto lideri olarak, tum uye ulkeleri Rusya'ya karsi birlik olmalari konusunda uyarmistir.

Gazprom; bir enerji sirketi mi yoksa siyasi bir silah mi ? Bu tez de cevaplanmak istenen sorulardan bir tanesi de Rusya'nin dev enerji sirketinin ana faaliyet konulari hakkindaki sorulardir. Gazprom, Rus devletinin sirketi olup, dogalgaz uretimi ve ihracati alaninda dunyada tekel konumundadir. Rus dogalgaz yataklari cok yuksek bir miktarda Gazprom tarafindan kontrol edilip, dagitimi yapilmaktadir. Iste, ekonomik hacmi nerdeyse kucuk bir ulkeye esdeger olan bu firmanin Kremlin tarafindan siyasi amaclari dogrultusunda kullanildigi dusunulmektedir. Ote yandan, Gazprom'un son yillarda agirlik verdigi ve cesitli anlasmalar yaptigi Almanya pazarinda da siyasi bir etkiye neden olacagindan korkulmaktadir. Gazprom'un ozellikle Dogu Avrupa'da siyasi tercihleri nedeniyle, ceza verme amaciyla bazi ulkelere fahis fiyat uygulamasi yaptigi belirlenmistir. Ukrayna, Gurcistan ve bazi Baltik ulkeleri bati yanlisi ve Rus dogalgazina bagimliliktan kurtulmak amaciyla yaptiklari hareketler sonucunda Gazprom'un yuksek zamlariyla karsi karsiya kalmistir. Bu baglamda Kremlin'in gudumunde olan sirketin siyasi caydiricilik rolu ustlendigi gorulmustur. Ancak Gazprom'un Almanya'da yaptigi yatirimlar ve mal degisimlerinin ticariden cok siyasi icerik tasimasi bir tartisma konusudur. Cunku enerji isbirliginin sonucu dogan anlasmalar disinda, bircok Alman sirketinin de Rusya'da cesitli yatirimlari vardir. Ayrica Gazprom herhangi bir siyasi etki amaci gutse de Almanya, kucuk bir Baltik ulkesi olmayip, yeterli siyasi/ekonomik guce sahiptir. Bunun disinda Gazprom'un bu supheli davranislari da Avrupa Komisyonu tarafindan dava konusu yapilmis,

Avrupa Birligi'nin bu durumdan haberdar oldugu ve buna izin vermeyecegi algisi yaratilmistir. Almanya'nin basi cektigi birlik Gazprom'un Avrupa pazarinda is yababilmesi icin birlik duzenlemelerine uymasi gerektigini belirtmistir. Gazprom, Kremlin gudumlu bazi siyasi motivasyonlarla haraket etse de, bu bazi eski Dogu blok ulkeleri disinda etkili olmamamistir. Almanya ve Avrupa Birligi bu tur konularda seffafligin onemini vurgulayarak, Gazprom'u mercek altina almistir.

Toparlamak gerekirse, Kirim'in ilhaki Rusya ve Almanya arasindaki siyasi catismayi en yuksek duzeye cikarmistir. Enerji bagimliligi suphelerini haksiz cikararak, Almanya Rusya'ya karsi yaptirimlarin en buyuk destekcilerinden olmustur. Bu yaptirimlar Almanya'ya dolayli yoldan etkileyecek olsa da, Alman ekonomisi yapisi ile, enerji ihracatina bagimli Rus ekonomisinden daha dayaniklidir. Ote yandan Rus enerji sirketi Gazprom'un siyasi motivasyonla yaptigi bazi adimlar gozleri Almanya'daki Gazprom yatirimlarina cevirmistir. Ancak Almanya siyasi ve ekonomik olarak bir Baltik ulkesinden daha guclu olup, ayni sekilde Alman sirketlerinin Rusya'da yatirimlari bulunmaktadir. Bunun disindan Avrupa Komisyonu tarafindan izlemeye alinan Gazprom'un saglamasi beklenmektedir.

BESINCI BOLUM

Rusya'nin Alman Pazarina Olan Bagimliligi ve Almanya'nin Rus Dogalgazina Alternatif Arayisi

Su ana kadar hep Almanya'nin Rus enerji kaynaklarina olan bagimliligi konusulmustur. Ancak Rusya'nin ve Rus ekonomisinin de Almanya'ya olan bagimliliklari vardir. Almanya'dan ihrac edilen mallarin, ozellikleri bakimindan, Rus sanayisinin uretimi ve devamliligi acisindan hayati oneme sahiptir. Bunun disinda, Alman firmalarinin Rusya'daki faaliyetleri istihdam ve teknik yardim olarak Rus ekonomisine geri donmektedir. Bunun disinda, bu bolumde Rus dogalgazina alternatif olarak gosterilen kaya gazi teknolojisi ve sivilastirilmis dogalgazin Almanya acisindan ne derece kullanilabilir oldugu tartisilacaktir.

Almanya'nin Rus enerji ithalatina bagimliligi kadar, Rusya da Alman pazarina bagimlidir. Karsilikli ticaret hacimleri incelendiginde, cok yakin rakamlara erisildigi gorulecektir. Ticaretin yapisini incelersek, Rusya cogunlukla yakit ve hammadde ihrac ederken, Almanya'dan islenmis mallar ithal etmektedir. Bu islenmis mallarin en onemli ozelligi; makina alaninda belki de dunyada bir numara olan Alman sanayisin uretimi olmalaridir. Makinalar, makina parcalari, elektrikli aksamlar, otomobiller, gida teknolojileri belli basli yer alan Alman ihraci urunleridir. Rus sanayisi hala gelismekte olup, teknolojik olarak batinin ve Almanya'nin arkasinda kalmistir. Boylece bu teknoloji Almanya'nin elindeki bir koz olarak bulunmaktadir. Gunluk hayati kolaylastiran otomobiller ve hizli tren hatlari da Alman sirketleri ile isbirligi sonucu yaratilmistir. Rusya'da faaliyet gosteren Alman sirketleri hem Rus ekonomisine katki ve istihdam saglayip, hem de Rus sanayisinin modernlesmesinde buyuk rol oynamaktadir. Alman pazari Rusya icin buyuk bir kaynaktir, ayrica herhangi bir krizde Almanya, ekonomik olmasa da, baska kaynaklardan islenmemis hammadde bulabilecekken, Rusya'nin cephe aldigi yine bati ulkeleri disinda, Almanya'nin islenmis mallarini suspense edecek baska bir kaynak yoktur.

Rus gazina alternatif olarak iki kaynak gosterilmektedir; kaya gazi teknolojisi ve sivilastirilmis dogalgaz teknolojisi. Kaya gazi yeni bir teknoloji olup, daha cok Amerik Birlesik Devletleri'nde yaygin kullanilmaya baslamistir. Bu teknoloji, yer altindaki kayalarin icinde biriken gazin basincli su, delme ve cesitli kimyasallar enjekte etmek yoluyla yuzeye cikarilmasini icerir. Bazi uzmanlar kaya gazi teknolojisinin Almanya'nin Rusya'ya olan enerji bagimliligini azaltacagi gorusundedir. Ancak yeni ve hala gelistirilen bir teknoloji olmasi disinda, kaya gazi cikartma isleminin dogaya ve cevreye zararli olabilecegi, hatta depremleri tetikleyebilecegi konusulmaktadir. Nukleer reaktorler de oldugu gibi, yeniden bir toplum baskisi altinda kalan Alman hukumeti; kaya gazi teknolojisi konusuna sicak bakmamaktadir. Bunun disinda, ikinci alternatif ise sivilastirilmis dogalgaz teknolojisidir. Ancak gemilerle tasinabilen sivilastirilmis dogalgazin miktari ve iletim hizi Almanya'yi tatmin etmemektedir. Ayrica her ne kadar Rusya guvenilir olmayan bir enerji saticisi gibi gozukse de, sivilastirilmis dogalgaz icin Kuzey Afrika ve Korfez ulkeleri ile calismak zorunda olan Almanya icin, Rusya daha stabil bir partnerdir.

Bu bolumde, Alman pazarinin Rusya icin onemi ele alinmistir. Ihrac ettigi mallarin ozellikleri bakimindan , Alman sanayisinin Rusya uzerinde buyuk ve onemli bir yeri vardir. Ayrica ulkedeki Alman yatirimlari Rusya'da gundelik hayatin ve sanayinin modernlesmesine buyuk katki saglamakatadir. Ote yandan Rus dogalgazina alternatif olarak dusunulen kaya gazi ve sivilastirilmis dogalgaz teknolojileri Almanya acisindan kullanissiz olup; cesitli ekonomik, lojistik, cevresel ve siyasi risk barindirmaktadirlar. Bu bolumde de teyit ettigimiz gibi, Rusya ve Almanya sartlar sonucunda da birbirlerine bagimli ve ortak cikarlarin oldugu bir iliski yurutmektedirler.

ALTINCI BOLUM

Sonuc

Tarihten gelen ortak paydalari ile uzun bir gecmise sahip olan Rus-Alman isbirligi , 'ozel bir iliski' olarak gorulmektedir. 2000 den sonra ise Rusya ve Almanya iliskisinde uzerinde durulan en onemli etken ise: enerji olmustur. Sanayilesmis bir ulke olan Almanya, enerji kaynaklarinin kitligindan dolayi enerji ithalatina bagimlidir. Ote yandan Rusya ise genis toprak sahasinda cesitli enerji yataklari, madenler ve minerallere ev sahipligi yapmakta olup; enerji ihracatinda lider ulkelerdendir.

Bu tez, cesitli siyasi suphelere ragmen, 2000'den bu yana Rus-Alman iliskilerinin karsilikli bagimlilik ve ortak cikarlara dayandigini savunmaktadir. Her iki ulke de siyasi olarak birbirine etki etmektedir ancak siyasi bir ustunluk soz konusu degildir. Bu tezin savinin destekleyen cesitli bulgular vardir; Rusya ve Almanya arasindaki siyasi, ekonomik, kulturel ve ideolojik gorus ayriliklari , enerji isbirliginden dogan sonuclar, planlanan buyuk ortak projelerin hepsi pragmatik bir isbirligine isaret etmektedir.

Ote yandan siyasi olarak, Rusya'nin sertlesen dis politikasi bolgede gerginliklere neden olsa da, Vladimir Putin Almanya'yi kaybetmesine neden olacak bir adimdan kacinacaktir. Bati Avrupa'daki en buyuk partneri; Rusya'nin dunya siyasi arenasinda kaybedebilecegi bir ulke degildir. Ote yandan Angela Merkel cephesi de, kendi normlarini benimseyip Rusya'ya cesitli yaptirimlar da bulunsa da , enerji isbirliginden yararlandigi Rusya'ya buyuk bir darbe vurmayacaktir. Cografi ve siyasi sartlar da Rusya ve Almanya'yi bu isbirligine zorlamaktadir.

Bu tezin vardigi sonuc Rusya ve Almanya'nin 2000'lerden sonraki iliskisinde enerjinin buyuk bir rol oynadigi ve pragmatik bir yapi ile iki ulke de bundan yararlandigidir. Siyasi etki suphelerine ragmen, her iki ulke de ellerinde esit sayilabilecek kozlar barindirmaktadir. Hatta gerginlesen Rus-Alman siyasi iliskileri son donemde sikca konusulmustur. Ancak bu gerginliklere ragmen enerji isbirligi surecek ve sekteye ugrasa da devam edecektir. Cunku Rusya ve Almanya icin kazan-kazan durumu vardir.

B. TEZ FOTOKOPISI IZIN FORMU

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YAZARIN Soyadı: KILIC Adı : HAKAN Bölümü: AVRASYA CALISMALARI

TEZİN ADI (İngilizce):

RUSSIA'S RELATIONS WITH GERMANY SINCE 2000: ENERGY VS.POLITICAL DYNAMICS

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