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Energy Diplomacy: West Germany, the Soviet Union and the Oil Crises of the 1970s

Frank Bösch*

Abstract: »Energiediplomatie. Westdeutschland, die Sowjetunion und die Ölkrisen der 1970er Jahre«. This article analyzes West German energy policy and negotiations with the Soviet Union during the Cold War. Archival sources from the West German government show that long-term energy diplomacy became a carefully built link which guaranteed cooperation even during political crises, such as the one in 1980/81. This article argues that energy diplomacy catalyzed Brandt's *Ostpolitik*. In particular, natural gas pipelines implied mutual trust within a stable relationship, which led to further collaborations, including cooperation in nuclear power. It points out that, from this perspective, 1973 was not exactly a turning point, and some grandiose plans in the years after the first oil crisis failed. Furthermore the article shows how the second oil crisis in 1979 increased cooperation between West Germany and the Soviet Union, although this strained West Germany's relationship with the United States. Archival documents reveal that energy policy matters remained well-calculated and persistent. Thus, the Soviet Union became a more reliable partner than many Arab countries.

Keywords: Germany, Soviet Union, Cold War, oil crisis, natural gas, nuclear power, détente.

1. Introduction

With the Soviet invasion of Afghanistan, the NATO Double-Track Decision, and, shortly after, the crisis in Poland, the year 1980 marked the beginning of another frigid period of the Cold War. America's reaction – i.e., imposing an embargo and boycotting the Moscow Olympics – is still in our memory. Yet, only a few weeks after the Soviet invasion, German businessmen traveled to Moscow to negotiate the biggest energy trade deal ever made between a Western state and the Soviet Union. Even in these precarious times, Chancellor Helmut Schmidt supported the continuation of said negotiations, telling the businessmen, “The usual business with the Soviet Union needs to continue, but

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it should not be business as usual.”¹ Schmidt thus agreed that the Federal Republic of Germany (FRG) could not afford to get rid of its Soviet energy supplies and regarded joint energy policy making as a chance to restrain the Soviet Union. Thus, Schmidt stressed the need to aid the Soviet Union in “tapping the energy resources of their own territories, in order to curtail their appetite for foreign ones,”² and further made clear in his remarks to President Carter that “those engaging in trade with each other do not shoot at one another.”³

Two aspects of this constellation are particularly striking. First, the West German government evidently considered energy trading to be more significant than the ongoing political conflict. In fact, the issue of energy proved so powerful that West Germany chose to risk a massive conflict with its most important ally, the United States. Second, energy trading appears to have been politically strategic, including aims to involve the Soviet Union and Comecon States, and to secure peace. Both aspects provide good reasons for associating the transformation of energy supplies with the history of the Cold War and the changing relationship between the East and the West.

Usually, the decade of the oil crisis is associated with the growing power of the Arab world and OPEC. Numerous studies deal with their economic and political impacts on the Western world.⁴ Other publications have analyzed domestic efforts to reduce oil consumption in Western countries, cooperative attempts at meeting this challenge, and the quest for domestic energy resources. Since most of these publications were written by American and British scholars, they tend to focus on their respective national perspectives and trading partners in the energy market, but seldom do they deal with countries such as Germany.⁵ Eastern Europe, especially, has been rarely considered from this historical angle, mainly because energy trading between the Communist East and the United States and Britain was practically nonexistent.⁶ Yet, starting in this decade, the Soviet Union became the largest energy producer in the world, delivering oil, gas, coal, and enriched uranium not only to its Eastern allies, but

¹ “Das normale Geschäft mit der Sowjetunion solle weitergehen, aber es dürfe kein business as usual sein”; Gespräch Schmidt mit Wirtschaftsvertretern 30.1.1980, in *Akten zur Auswärtigen Politik der Bundesrepublik Deutschland (ADAP)*, 1980, vol. 1, ed. Ilse Dorothee Pautsch et al. (München: Oldenbourg, 2011), 206. Also see report Sieger/documentation von Staden 25.2.1980, in *ibid.*, 91, note 19.

² “[A]uf ihrem eigenem Territorium Energiequellen zu erschließen, damit ihr Appetit auf fremde gezügelt wird”, meeting between Chancellor Schmidt, union leaders and corporate leaders 24.1.1980, in *Archiv der Sozialen Demokratie Deutschlands (AdSD)* 1/HSAA008881 and identical: “Schmidt and economic leaders 30.1.1980”, in *ADAP* 1980, vol. 1, 206.

³ “Wer Handel miteinander treibe, schieße nicht aufeinander”; minutes of meeting between Schmidt and Carter 5.3.1980, in *ADAP* 1980, vol. 1, 406.

⁴ Compare e.g. Yergin 1991; Vernon 1976; Venn 2002.

⁵ Only one study on Germany exists so far, which is based on press coverage from this time; Hohensee 1996. Forthcoming, but not on relations with Eastern Europe: Graf 2014.

⁶ An early important exception: Gustafson 1989.

also increasingly to Central European countries. Especially during the energy crises of the 1970s, the Soviet Union emerged as a major player in the global competition for future energy supplies.⁷ Far from suffering a collapse in 1973, increasing trade with the West went hand-in-hand with economic growth in the Soviet Union. Although their energy exports never matched those of the Arab world, their political significance was overriding. Unsurprisingly, this led to interdependence during the Cold War, which also changed political and economic systems in general. One might argue that, with their joint energy policy, Eastern and Western Europe affected more than their own relations. Their energy diplomacy also influenced relations between the socialist Comecon states, such as the Soviet Union and the GDR, and among the allied members of NATO (e.g., between the United States and West Germany).

This article analyzes the interaction between Eastern and Western Europe before, during, and after the oil crises of the 1970s. It will examine to what extent the energy crises of 1973 and 1979 influenced European East-West relations and whether other developments were more influential. It discusses the scope and limits of energy policy making between the East and West, examining whether energy diplomacy and supply were able to cross the Iron Curtain over the course of the Cold War decades. While the article will briefly look at other countries, it will concentrate on the two most important trading partners: West Germany and the Soviet Union. As such, German archival sources, such as the papers of the Chancellors, the Foreign Minister, and the Economic Minister, are main sources.⁸

The following analysis thus ties in with studies on “oil diplomacy,” a term that refers to the complex network of actors in the public and private sectors responsible for shaping inter-state relations.⁹ Since the 1970s, academics and politicians have repeatedly debated the extent to which multinational oil companies influence foreign relations and state sovereignty. Although they reject the assumption that oil firms had maneuvered themselves into a position of political power, they believe that the companies’ involvement in the energy trade facilitated these increasing interdependencies.¹⁰ Even before the oil crisis, and especially after 1973, the energy supply was considered to have economic, military, political, and social relevance in questions of security.¹¹

⁷ Cf. Perović 2013, 5–28; Victor and Victor 2006, 122–68.

⁸ I have analyzed documents from the Chancellery, the Foreign Office, and the Ministry of Economics, as well as the papers of Chancellor Helmut Schmidt, who kindly granted me access to his files.

⁹ Cf. Venn 1986, 9.

¹⁰ For information on the political and academic discourse on this subject since the 1970s cf. now Graf 2014.

¹¹ On contemporary discourse cf.: Miller 1977, 111–23 and Graf 2012, 185–208.

Since the 1980s, several political science studies have analyzed the former Soviet States' energy policies, relying on public and official reports as sources.¹² A couple of historical studies have focused on the Soviet natural gas supply and its relevance for *Ostpolitik*, which helped to ease tensions between the socialist countries and West Germany under Chancellor Willy Brandt. Werner Lippert contends that long-term cooperation on the natural gas market enabled the lasting success of *Ostpolitik*.¹³ His study concentrates mainly on the diplomatic actions of a small number of statesmen in the early 1970s: Nixon/Kissinger, Brandt/Bahr, and Brezhnev. In 2013, Per Högselius published the most comprehensive and well-researched study on Russian natural gas exports to date, focusing mainly on contract negotiations up to the 1970s. He argues that economic considerations regarding "red gas" have always been more important than political ones.¹⁴ Compared with these studies, my paper offers a broader perspective on the energy supply, including oil and nuclear power, while also providing a more focused look at the above issues.

2. 1973 as a Caesura? Energy Diplomacy before the Crisis

Research on the 1970s tends to mark the year 1973 as a watershed moment and the oil crisis, with its economic and cultural implications, as a nucleus of change.¹⁵ At the same time, several studies on energy and economic history have relativized its significance, for the term "energy crisis" had long been in use and special energy programs had been launched prior. Price increases and the perceived energy shortage were growing issues during these preceding years, and OPEC thus raised prices before 1973's Arab-Israeli War; although, prices increased only after the war's start.¹⁶

There are good reasons to contend that the 1973 oil crisis was not actually a watershed event for Eastern Europe and energy relations between the East and West. The Soviet Union's energy diplomacy, in particular, illustrates that the increase in oil prices, in connection with the Yom Kippur War, intensified plans that were already under way, rather than marking a crucial turning point. The late 1950s and, to an even greater extent, the late 1960s witnessed the initiation of such developments.

The basic outline of these preliminary events is familiar. Although energy trade with Russia can be traced back to czarist times, such dealings came to a

¹² For the most important study on German relations cf. Wörmann 1986. Comp. also: Smallidge 1997, 4-25.

¹³ Lippert 2011, 182.

¹⁴ Högselius 2013, 7, 222.

¹⁵ Cf. e.g.: Borstelmann 2012, 54; Killen 2007; Raithel et al. 2009 and Jarausch 2008.

¹⁶ Venn 2002, 8 and Yergin 1991, 590; Graf 2014.

temporary halt under Stalin in the 1930s. The United States and the Coordinating Committee for Multilateral Export Controls (CoCom) undertook boycotts in the 1950s, which further prolonged this interruption.¹⁷ At the end of the decade, the USSR was finally able to gradually revive its trading routes. The Druzhba pipeline played a key role in fostering economic ties in the East by strengthening Soviet relations with allied socialist states of the Comecon. Also, many Western nations that had previously been clients of American companies were now getting their oil from the Soviet Union. While neutral countries such as Finland, Sweden, and Austria played crucial roles, NATO states, such as Greece and Italy, also purchased large quantities of oil.¹⁸ In addition, Western European companies, particularly those located in Italy, Austria, and West Germany, invested heavily in the construction of pipelines.¹⁹

Political tensions such as the Berlin Crisis, the construction of the Berlin Wall, and the Cuban missile crisis notwithstanding, economic cooperation evolved between Eastern and Western Europe. For political security reasons, as well as economic interests, NATO enforced an embargo initiated by the United States in 1962, prohibiting the delivery of large-diameter pipes for a period of five years.²⁰ Its effect during the 1960s was threefold. Firstly, since Western European countries grudgingly complied with this more stringent policy – and some even chose to undermine it – energy relations were causing tension among NATO members even prior to the oil crisis.²¹ West Germany in particular took a substantial hit and protested the fact that, now, only a fifth of the energy supplies agreed upon could be provided, which jeopardized trust between them and their Soviet trading partner.²² Secondly, it became apparent that the boycott attempts had little effect on an increasingly globalized economy. Other countries such as Sweden and Japan understudied it, so that the completion of the Druzhba pipeline was hardly delayed. Thus, economic rationale increasingly took precedence over political goals. Thirdly, rather than withdrawing from foreign trade, the Soviet Union actively sought contact with the West in the second half of the 1960s, selling oil and gas to boost its economy. Negotiations with Austria and Italy over a gas supply line to Trieste, a project that could only be realized with West German support and thus affected exports to Southern Germany as well, were already underway in 1966.²³ Since gas from the Netherlands was more expensive, financial aspects were an important motivation for Western countries. However, the possibility of rap-

¹⁷ Perović 2013, 12 and Fäßler 2006.

¹⁸ Painter 2009, 505.

¹⁹ Högselius 2013, 38–40.

²⁰ Wörmann 1986, 28.

²¹ This is the central argument in Wörmann 1986, 29 and Lippert 2011, 9.

²² Cf. notes dept. IIA 6 to the Bundespräsidialamt [Office of the Federal President] 19.1.1968, in PA AA B 41 51.

²³ Schliecker to the Ministry of Economics 12.12.1966, in: PA AA B 41 64.

prochement was seen as a welcome political side effect. For some politicians, such as Willy Brandt, it was even the other way round, and this link between economy and policy helped him in the long run to convince conservative and liberal politicians and the public.

Willy Brandt's *Ostpolitik*, which became a key issue when he was elected Chancellor in October 1969, undoubtedly played a significant role in promoting energy policies. However, economic cooperation in the energy sector certainly preceded it – one might even say such cooperation laid the groundwork for *Ostpolitik*. As early as the summer of 1969, upon approval by the Ministry of Economics, West German businessmen negotiated the construction of a gas pipeline with the Soviet Union in Vienna. At this point, West Germany's Foreign Ministry had already justified getting twenty percent of its natural gas from the Soviet Union.²⁴ It was significant that the conservative Bavarian Ministry of Economics took an active part in drawing up this first agreement to obtain Soviet gas – its landlocked location went hand-in-hand with high energy prices.²⁵ In late 1969, two private law contracts were concluded: one stipulating that the Ruhrgas AG be supplied with 3 billion cubic meters of natural gas per annum over a twenty-year period, the other regulating 1.2 billion Deutschmarks worth of pipes, provided by Mannesmann AG and Thyssen Röhrenwerke AG, for the purpose of building a 2000-kilometer pipeline.²⁶ The fact that the Germans successfully competed for Soviet energy supplies was resented not only by its Western European allies, but also by some German ministries, which believed that interest rates, runtime, and amortization were unusually generous and that the Federal Republic of Germany was taking advantage of its financial powers so as to dominate and establish trade with the East.²⁷

The most significant transaction between the East and the West up to this point had thus already been completed well before Brandt's treaties with Moscow took effect and can be seen as an integral part of the treaties. When the German Minister of Economic Affairs, Karl Schiller, and the Soviet Minister of Foreign Trade, Nicolas Patolitchev, solemnly shook hands after signing their contract in Essen on February 1, 1970, the agreement marked the prelude to *Ostpolitik*.²⁸ In subsequent political negotiations, this contract served as proof of a new sense of unity for both parties, as well as a sign of "real Soviet interest to consolidate and broaden cooperative efforts."²⁹ The new pipeline tied the

²⁴ Documentation Herbst 27.6.1969, in ADAP 1969, 741-2.

²⁵ Regarding Bavaria's energy policy, cf. Deutinger 2001, 66-72 and Högselius 2013, 67-70.

²⁶ AAPD 1969 II. 86, footnote 1.

²⁷ Cf. documentation undersecretary Herbst 26.1.1970, in AAPD 1969, vol. 1, 86 and *Der Spiegel*, February 9, 1970, 34.

²⁸ Minutes 3.2.1970 in AAPD 1970, vol. 1, 33. For its representation in the media cf. e.g.: *Der Spiegel*, February 9, 1970, 34.

²⁹ Cf. e.g. documentation Gehlhoff 11.2.1970, in ADAP 1970, vol 1., 220. Regarding its trade significance cf. Rudolph 2004, 274.

East and the West, ensuring an increase in export shares. When Brezhnev visited West Germany in May 1973, he regarded the pipeline as guarantor of long-term partnership: “Once this has been completed, cooperation shall be secured for 30, even 50 years.”³⁰ In reality, the Federal Republic of Germany began to emerge as the USSR’s primary Western trading partner as early as 1972. In that year, as well as in 1974, new contracts expanded the pipeline business, and by 1973 oil exports to West Germany had tripled.³¹ At first glance the development of trade with the Soviet Union, a country with a weak currency, resembled “the trading practices of the Stone Age: clubs for bones, bones for furs, furs for stone axes,”³² as Krupp CEO Berthold Beitz archly concluded. Although these were actually complex individual contracts involving major consortia, they were ultimately bilateral trade agreements; revenue thus stagnated and ultimately failed to regain momentum.³³

Beyond the Federal Republic, various other East-West collaborations had attended to the construction of natural gas pipelines around 1970. For instance, Finland supplied Scandinavia via a pipeline that had already been completed by 1973, and which the Soviet Union hailed as a sure sign of cordial relations.³⁴ Even earlier, in 1966, the USSR proposed the construction of an 8000-kilometer pipeline to Japan, which was to span the distance between Siberia and Nakhodka, which lies on the coast of the Japanese Sea. Both countries entered into serious negotiations in 1971/72. Soviet efforts to make Siberian resources accessible went even further.³⁵

West German documents also contain a myriad of information on initiatives that, until now, have lain buried in dust, including those suggested by regional politicians. For example, the Hessian Minister President, Albert Osswald, had establishing a gasoline refinery in Kassel in mind. He promoted this idea in Romania in 1971, suggesting that the oil pipelines between the Soviet Union and the GDR should be extended to Kassel. Sure enough, the small federal state of Hesse was soon in talks with the USSR over a petroleum pipeline from Schwedt (GDR) to where the new facility was to operate.³⁶ Similarly, in late 1972, the West Berlin Senate conducted negotiations to expand the refinery in Schwedt and supply the city with additional Soviet oil using West German

³⁰ “Wenn dies einmal fertig sei, dann sei die Zusammenarbeit für 30, ja 50 Jahre garantiert” and documentation of talk between Brandt and Breschnev 18.5.1973, in ADAP 1973, vol. 2, 721.

³¹ Note by Sieger 6.11.1973, in PA AA B 41 51.

³² “[D]em Tauschverkehr der Steinzeit: Keulen gegen Knochen, Knochen gegen Felle, Felle gegen Steinäxte”; Beitz acc. to *Der Spiegel*, January 23, 1978, 42.

³³ Also see Rudolph 2004, 354.

³⁴ Cf. the FRG consul’s report from Leningrad to the AA 7.1.1974, in PA AA B 41 51.

³⁵ Reports by the German embassy in Tokyo to the AA 29.7.1971 and 20.12.1971, in PA AA B 52 366 and Curtis 1977, 154–158.

³⁶ Proposal for talk, dept. 403 AA 26.10.1973, and note dept. III D 2 6.2.1973, in PA AA B 41 51.

support. Although this project evoked memories of the 1948 Berlin Airlift, during which the allies had delivered coal supplies by air, the German Chancellery ultimately consented.³⁷ Even so, since the 1950s the GDR had been processing crude oil for West Berlin. After 1969, processing intensified, and by the mid-1970s the market share of gasoline, diesel, and fuel oil made in the GDR reached 50 percent. In the process, crude oil was exchanged between and processed by the two German states.³⁸ By 1980, just over half of West Berlin's energy supplies were provided by the Federal Republic and a good third by the GDR, while Poland and the USSR contributed to a lesser extent.³⁹ In this context, energy diplomacy between the East and the West was particularly consequential.

It appears that, prior to the oil crisis of 1973, the Soviet Union was also a much-desired nuclear trading partner. Up until then, West Germany had received enriched uranium from the United States. However, in 1972 the latter decided to impose stricter trading conditions for uranium supplies to Western Europe. The French were now banking on European efforts to provide enriched uranium, but demanded that products be tailored specifically to their needs.⁴⁰ In the previous year, Soviet Premier Alexei Kosygin had already offered uranium enrichment services on more favorable terms.⁴¹ In March 1973, the West German energy supplier RWE and the Euratom Supply Agency spoke with Moscow about purchasing "basic equipment" in the form of enrichment services for a power plant to be built in Mühlheim. Talks proceeded "to everyone's utter satisfaction," and subsequent contract negotiations about uranium for the nuclear power plants in Biblis and Neckarwestheim followed that same year.⁴² According to one comment, the ministries in charge – i.e., the Federal Ministry of Economics and Technology and the Federal Ministry of Education and Research – had "long been in support of unconditional trade regarding the enrichment of uranium in the Soviet Union."⁴³ Although initially doubtful, the Foreign Office also concurred, since such an arrangement would boost trade with the Soviet Union, and since the United States had given its consent and were negotiating uranium deals. In addition, Brezhnev offered to build a nuclear power station in Kaliningrad, which would supply electricity to West Berlin and the Federal Republic.⁴⁴ Also, the GDR adopted techniques from the West and

³⁷ Draft dept. 403 19.12.1972, in PA AA ZA 13924 and Chancellery to AA 29.1.1973, in *ibid.*

³⁸ *Comp. Judt* 2013, 62-5.

³⁹ Note BMWi C 1 4.11.1981, in PAAA ZA 132521.

⁴⁰ On France's unwillingness to cooperate, the Federal Republic, and nuclear energy cf. now: Tauer 2012.

⁴¹ Documentation Hermes 23.3.1971, in PA AA 105299.

⁴² Documentation Randermann 10.5.1973, in ADAP 1973, vol. 2, 653-8 and documentation Poensgen 24.8.1973, in *ibid.*, 1282-3.

⁴³ "[S]eit langem für eine vorbehaltlose Genehmigung auch weiterer Geschäfte der Urananreicherung in der Sowjetunion" and documentation Poensgen 24.8.1973, in ADAP 1973, vol. 2, 1282-3.

⁴⁴ Stent 2001, 227.

planned closer cooperation on nuclear power plants with West Germany. In 1987 GDR officials discussed importing a power plant from its Western neighbor, but they failed to actually do so. However, they did order technical support for the East German power plant in Lubmin from the West German company Siemens.⁴⁵

One may argue that these findings support the counterfactual conclusion that energy trade between the East and the West would have flourished even if the oil crisis of 1973 had never taken place. Because of their geographical and cultural proximity, companies were in favor of developing this relationship in spite of political resistance. One must not underestimate the twofold historical experiences shared by many company managers in this context. First, businessmen such as Berthold Beitz were familiar with Eastern European energy trade because they worked in the region prior to 1945. Second, they saw themselves as post-war pioneers of a new *Entente Cordiale*. At the same time, many Arab countries were considered problematic business partners before 1973. The impact of the brief Arab oil embargo during the June War of 1967 must not be underrated; although aimed at the United States and Great Britain, the embargo also affected Western Europe, which received part of its oil supplies from American companies. Albeit comparatively insignificant on an economic level, this event gave cause for alienation and prompted the West to safeguard its energy supply on a broader scale prior to the fateful year of 1973.⁴⁶

3. Failed Plans for Cooperation Post-1973

The 1973 oil crisis consolidated existing plans to cooperate with the USSR. While OPEC's rising prices doubtlessly made Soviet resources appear more attractive, waning trust in the Arabs further bolstered the Soviet Union's reputation as a reliable trading partner. I would like to argue, however, that the overall picture regarding cooperative efforts after 1973 reveals that, while a number of large-scale plans were devised, many of them were never realized. This failure was due to both economic and political causes. Hence, the year 1973 was not the death knell of utopian ideas; on the contrary, contemporaneous energy policies allowed them to fully flower.

Such visionary schemes involved a variety of energy resources. In 1974, the Soviets expanded their nuclear energy portfolio, proposing that four nuclear power plants be built in West Germany to supply the country and West Berlin with electricity. Chancellor Helmut Schmidt had few political concerns about cooperating with the USSR and Poland at the time. By the same token, the

⁴⁵ Müller 2011, 72-5. Cooperations since 1989 are mentioned in: Högselius 2005, 16, 38.

⁴⁶ Regarding its political effect on West Germany cf. e.g.: 83. Kabinettsitzung, 13.6.1967, <http://www.bundesarchiv.de/cocoon/barch/0100/k/k1967k/kap1_2/kap2_24/para3_1.html> and 159. Sitzung 12.3.1969, in *Kabinettsprotokolle 1969* (München, 2012), 134.

Federal Republic agreed to the construction of nuclear power stations in despotic states, such as Brazil and Iran. Only the GDR's potential interference cast doubt on plans to install a power supply line.⁴⁷ The project fell through in 1976, however. The West German parties involved had not been able to find a solution as to how electricity could traverse GDR territory without compromising safety. Regardless, the GDR had protested vehemently against connecting Berlin and West Germany in such a way,⁴⁸ and although the United States had initially agreed to a "non-paper," their eventual opposition had boiled down to the possibility of blackmail.⁴⁹ Officially stating that the project was not lucrative enough, the Soviet Union was equally responsible for the aborted plans.⁵⁰ Unexpected offers from Poland and the GDR, both of which were looking to supply West Berlin and West Germany with electricity from nuclear power stations built on their home turf, took a similar course.⁵¹ One endeavor that came to fruition, however, was the provision of materials to Soviet power plants.⁵² From these examples we can deduce that, by means of countertrade, the socialist states were eager to supply West Germany with electricity so as to gain access to high-tech facilities. The sense of urgency with which they pursued potential opportunities to provide for West Berlin in particular may be construed as a political concession. However, it equally signifies a potential means to exert pressure in conflict situations by securing a strategic advantage.

While West Germany's gas business was expanding, other projects following the oil crisis also failed. In the mid-1970s, for instance, upon recalculating the costs for the gigantic pipeline to Japan, the Soviets abandoned negotiations. Instead, they offered to build a railroad as a supply route. Although Japan suffered a particularly heavy blow during the 1973 oil crisis due to its scarcity of natural resources, the USSR chose not to resume negotiations.⁵³

⁴⁷ Intergovernmental talk between Germany and the USSR 29.10.1974, in ADAP 1974, vol. 2., 1369-70 and Honecker an Schmidt 10.9.1974, in *Bonn und Ostberlin 1969-1982: Dialog auf höchster Ebene und vertrauliche Kanäle. Darstellungen und Dokumente*, ed. Heinrich Potthoff, 310, (Bonn: Dietz, 1997), and talk Schmidt-Gierek 11.6.1976, in ADAP 1976, vol. 1, 861.

⁴⁸ This event and the corresponding argument are mentioned in Pittamn 1992, 68.

⁴⁹ On exploratory talks see: Schmidt an Kissinger 18.10.1974, in ADAP 1974, vol. 2, 1303 and on the "non-paper" see: Aufzeichnung Hölscher 12.9.1975, in ADAP 1975, vol. 2, 1247-1248. U.S. concerns about security are mentioned in Wörmann 1986, 85.

⁵⁰ Talk between Genscher and Olszowski 6.4.1976, in ADAP 1976, vol. 1, 465.

⁵¹ The embassy in Moscow to the AA 26.2.1974, in PAAA B 41 51 and documentation dept. 421 6.9.1974, in ADAP 1974, vol. 2, 721 and talk Genscher-Olszowski 6.4.1976, in ADAP 1976, vol. 1, 465, note 7 and Honecker to Schmidt 10.9.1974, in Potthoff, Bonn und Ostberlin, 310.

⁵² In 1980, it is reported that: "Die Deutsche Babcock hat den nuklearen Teil für 3 KKW geliefert" [The Deutsche Babcock has delivered nuclear material for 3 power plants] and notes for discussion for meeting between Chancellor Schmidt and First Deputy Premier Tikhonov of the Soviet Union, 28.5.1980, in AdSD 1/HSAA008907.

⁵³ Overall, the relationship cooled. Cf. Tōgō 2010, 242.

Similarly, a deal between the Soviet Union and the United States referred to as “North Star” was called off in late 1974. Plans had been made for a pipeline to Murmansk, from which gas would be delivered to the United States via waterway. Talks ended partly because of the American policy intended to facilitate emigration procedures for Soviet Jews, among other things. West German plans to pipe gas from Iran also turned out to be no more than a pipe dream. The supply line was intended to run through Turkey, but in 1974 the Soviets suggested an alternative that was more cost-effective and designed to traverse their own territory.⁵⁴ This was another example of the USSR’s demanding nature as a trading partner, which tended to impede initial negotiations.⁵⁵ Nonetheless, the two partners reached an agreement in 1975 which stipulated that the pipeline would cover 11 billion cubic meters per annum – although, only half was bound for the Federal Republic; the other half would be shared between Austria and France. The project was doomed to failure, however. The 1979 Iranian Revolution drove the final nail into its coffin.⁵⁶ Oil supplies were also a pressing problem. Anticipated large-scale projects, such as the oil pipeline to Kassel, could not be put into action, because Soviet authorities were reluctant to support them. Even though the demand for oil was high in the West, it was insufficiently met – so insufficiently, in fact, that West Germany’s supplies dropped even before 1973. As a principal customer, the German energy company VEBA was aiming to double oil supplies,⁵⁷ but the quota of 4.4 million tons could “not be reached” in 1973, “despite the rigorous insistence that had marked Germany’s agenda over the last few years.”⁵⁸ To compensate for this dearth, the USSR considered making additional oil available from third party countries that were unable to offer their services to Western states because their oil production plants had been nationalized. For political and legal reasons, however, in early 1973 West Germany refused to consent to such terms.⁵⁹

So, we can conclude that the first oil crisis intensified negotiations with the USSR, but its chief effect was the expansion of projects that had already been underway before its inception. There are various reasons for this. Against the backdrop of détente, the oil crisis made the Soviet Union a significant trading partner, causing it to be more rigid – but also more erratic – in its various negotiations. Its growing economy nurtured not only a desire for Western technology but also the audacious belief that long-term projects with the West were indeed possible. Concomitantly, this boost resulted in a greater demand for energy in the Comecon states, which, save for Romania, all depended to a large

⁵⁴ The embassy in Moscow to AA 26.2.1974, in Bundesarchiv Koblenz (BA) B 136/17572.

⁵⁵ Ambassador Wieck/Moskow to AA 11.6.1974, in ADAP 1974, vol. 1, 708.

⁵⁶ Cf. Hogselius 2013, 173 and Wörmann 1986, 84.

⁵⁷ Benningsen-Foerder/executive chairman of VEBA to Foreign Minister Scheel 7.1.1974, Benningsen-Foerder to Hermes/AA 7.5.1973 6.2.1973, in PAAA B 41 51.

⁵⁸ Note dept. 403 prior to Brezhnev’s 11.5.1973, in PA AA B 41 51.

⁵⁹ Benningsen-Foerder to Hermes/AA 7.5.1973 and note dept. III D 2 6.2.1973, in PA AA B 41 51.

degree on exports from the USSR. The Soviet Union now faced the predicament of either refraining from imposing price rises and, thereby, securing its energy supply to its socialist brother nations (as agreed to in the Five-Year Plans), or choosing to benefit from high world market prices but thus creating economic difficulties for the Comecon states. In a sense, the Soviets tried to have it both ways. They gave priority to Comecon, supplying its member states with low-price energy; but at the same time, they breached contract and gradually began to raise energy prices after 1974. Not only did this double-edged energy policy increase tensions in the East, it also encumbered negotiations with the West. In the end, the lowering of oil prices post-1975 impeded the same activism that not long before had galvanized plans for cooperation between the East and West.

Hence, the fascination surrounding oil pipelines between Eastern and Western Europe should not lead us to dismiss the limitations that marked joint energy trade deals in the 1970s. Furthermore, new supply lines were also installed within Western borders shortly before the oil crisis, facilitating the expansion of natural gas and fostering cooperation among member states of the European Community. This rings true for the “Trans Europa Naturgas Pipeline” (TENP) in particular, which was built between Switzerland and the Netherlands in 1972 and put into operation two years later, providing Germany with Dutch gas. While imports from the East had increased by the end of the decade, the portion of the overall energy supply they constituted remained small. Only eleven percent of primary energy imports were purchased from the Comecon states – more precisely, by the late 1970s, 15 percent of Western Europe’s natural gas, a mere two percent of its oil, and four percent of its imported coal came from the East.⁶⁰ The actual bargain from these deals was significant, but perhaps more important was the symbolic meaning of this energy diplomacy. These deals promised even closer cooperation in the future.

4. Despite Political Crises: Reorientation after the Crisis of 1979

It is well known that Iran’s cessation of oil supplies in 1979, which amounted to about ten percent of the world market, led to a second major price increase. Since Iran was its chief supplier, West Germany was hit particularly hard and had to look to other countries for imports.⁶¹ Japan, Italy, the Netherlands, and the United States, who were also bulk buyers, also felt the squeeze financially. While the economic consequences of the worldwide oil crisis of 1979 are at least as far-reaching as those of 1973, the earlier crisis still overshadows the

⁶⁰ Data taken from: Referat 405 AA 30.1.1980, in PA AA ZA 126878.

⁶¹ Note to Chancellor 15.1.1979, in BA/K B 136 16650.

later one. Most historical accounts in Western Europe in particular have hardly heeded it. This may lie in the fact that numerous concurrent crises made 1979 seem like an *annus mirabilis*. Among these are the Soviet invasion of Afghanistan, the NATO Double-Track Decision, the Iranian Revolution and Iran hostage crisis, the revolution in Nicaragua, the United Kingdom's Winter of Discontent and the subsequent election of Thatcher, and the accident at the Three Mile Island atomic reactor near Harrisburg, Pennsylvania in the United States.⁶² Since the Soviet Union was accused of invading Afghanistan in order to extend its influence on the oil-rich regions of the Persian Gulf, the Cold War became even more closely linked with the struggle for energy resources.

All of these seemingly circumstantial events influenced potential reactions to the second oil crisis. The 1973 boycott could still be seen as merely a disruptive incident; the Iranian Revolution and the rise of Islamism, on the other hand, made clear that tensions between the Arab world and the West would make the reliability of stable oil supplies and of allies, such as Iran, impossible.

The expansion of atomic energy was still seen as an alternative solution in 1973. By 1979, the Three Mile Island accident near Harrisburg had increased the number of skeptical voices in many countries. And while, in 1973, visionary collaborations with Eastern Europe held the promise of a solution, after the Afghanistan campaign, cooperation with the Soviet Union became much more problematic. In addition, the perception of the Soviet Union's energy policy changed. At the beginning of the 1970s, the USSR was considered a market of the future. Now, analyses – mainly American – predicted major energy problems as the USSR's raw materials were being depleted and the demand for energy only grew.⁶³ These assessments, which were erroneous according to current points of view, were meant to keep the Western allies from cooperating further with the Soviet Union. German politicians and experts were less pessimistic about the decline of Soviet oil and gas, but they anticipated supplies west of the Urals would lessen and antiquated extraction technology would make tapping into Siberian resources difficult.⁶⁴ Accordingly, they foresaw currency issues, should the Soviet nations be forced to purchase in the global market.

Around 1970, East-West cooperation in the energy sector had prepared an accompanied political rapprochement. Now, energy diplomacy served as a connecting point in the political and economic crisis. The second oil crisis exacerbated problems in both blocs, but also ensured widespread cooperation. While the Soviet Union was still in a period of growth, which the first oil crisis had not slowed, by 1980 the balance of its ninth Five-Year Plan was devastat-

⁶² On how these changes were interconnected, see Bösch 2012. With a biographical perspective on five countries, Caryl 2013.

⁶³ For details on these predictions, made particularly by the CIA, cf. documentation 21.3.1980, in PA AA ZA 132518.

⁶⁴ Cf. Notes dept. 405 AA 21.3.1980, in PA AAZA 126878.

ing and growth stagnated.⁶⁵ Specifically, rising energy costs forced the socialist countries to make overtures to the West for selling and refining raw materials, and for managing debts accrued from higher energy costs.⁶⁶

As already mentioned, the Federal Republic nevertheless continued to bank on expanding cooperation with the Soviet Union in the energy market. This initially applied to atomic energy, which Chancellor Helmut Schmidt clearly supported, despite growing protests from within his own party. The records show that in numerous discussions with politicians from the Soviet Union, developing countries, and industrialized countries, Schmidt emphatically promoted the building of atomic energy reactors and even frequently offered to export German nuclear power plants.⁶⁷ In exchange, the Soviet Union presented new deals in 1980, renewing its offer to export electricity to the Federal Republic, Italy, and Austria on a long-term basis if the West would provide the power plants.⁶⁸ In fact, cooperation with the Soviet Union on atomic energy continued: the Soviets provided enriched uranium to the Federal Republic, France, and Italy, and Western European firms supplied nuclear reactor components to the Soviets.⁶⁹ In support of this deal, the CEO of Deutsche Babcock AG, a German manufacturing company that played an important role in this endeavor, said, “Trade between both peoples is planned for the long term and should be independent of the vagaries of politics.”⁷⁰ At the same time and with the support of the German federal government, Babcock continued work on the power plant it was building in Iran, despite the revolution, hostage crisis, and sanctions.⁷¹ The Federal Republic also attempted to bypass American sanctions against Iran, but ultimately agreed to the sanction out of loyalty to the transatlantic alliance. In fact, businessmen were seen as political negotiators – and they probably saw themselves as such. Hence, the Soviet Embassy called not the West German Embassy, but the chairman of Krupp, Berthold Beitz, to say that 10,000 troops had withdrawn from Afghanistan and, therefore, the NOC and IOC should reconsider their boycott of the Olympic Games.⁷²

The expansion of energy diplomacy manifested itself most clearly in the Soviet Union’s provision of natural gas. Around 1980, natural gas was considered

⁶⁵ Hildermeier 1998, 883.

⁶⁶ On the negative effects of the energy crisis on the Comecon states, cf. Danos 1988, 53–60.

⁶⁷ Cf. e.g. note on talk between Schmidt and President Moi/Kenai 12.2.1980, in AdSD 1/HSAA00887 and talk between Chancellor Schmidt and Schiwkow (Bulgaria) 2.5.1979, in AdSD 1 HSAA006736.

⁶⁸ Report on talk between state secretary von Würzen and Gvishiani (assistant chairman of the State Committee for Science and Technology) 14.10.1980, in PA AA ZA 132521 and list by the embassy in Moscow to AA 5.8.1980, in PA AAZA 126878.

⁶⁹ List from the embassy in Moscow to AA 5.8.1980, in PA AA ZA 126878.

⁷⁰ Der Handel zwischen den beiden Völkern ist langfristig angelegt und sollte unabhängig von den Wechselfällen der Politik sein, *Der Spiegel*, February 4, 1980.

⁷¹ Schmidt to Ewaldsen, 4.6.1980 (draft), in BA/K B 136 30561.

⁷² Note to Schmidt 24.6.1980, in AdSD 1/HSAA008911.

the energy of the future, and it was believed there were significantly more reserves. Despite the invasion of Afghanistan, the crisis in Poland, and the American embargo policy, the Federal Republic attempted to continue contract negotiations for the biggest natural gas deal to date. The same was true of France, Italy, and Austria. The plan was to double Soviet gas imports to the Federal Republic – natural gas would thus constitute 30 percent of West Germany's total energy consumption – while gas imports from the Netherlands were to decrease in the future.⁷³ In addition, after laborious political negotiations, a gas pipeline to West Berlin was negotiated, with compliance from the GDR once the Soviet Union had given its consent.⁷⁴ On November 20, 1981, after difficult negotiations about prices and credit, Ruhrgas AG and the Sojuzgasexport, the Soviet foreign trade company for natural gas, successfully closed a deal.⁷⁵ In the same vein, German companies outside the energy industry closed large deals with Moscow at the beginning of the 1980s, such as the construction of airports and steel mills – projects that the public criticized.⁷⁶

Several studies and internal documents have already demonstrated that the deal between West Germany and the Soviet Union led to diplomatic tension with the United States, especially after Ronald Reagan took office in 1981.⁷⁷ America stubbornly tried to keep its Western allies, especially the Federal Republic, from going through with the deal. They warned that Germany would become dependent on and be pressured by the Soviet Union, and that the Federal Republic would be “Finlandized.” For this reason, the United States demanded that the Germans give them a detailed plan of what would happen if the Soviets were to cut the gas supply.⁷⁸ On top of this, President Reagan asked the Germans to postpone concluding the contract until the United States had developed an alternative program to the Siberian energy supplies.⁷⁹ In fact, in the autumn of 1981, the United States presented some proposals, which included the expansion of American coal refining and the development of American reactor technology in Western Europe.⁸⁰ Clearly, it was not only questions of security that played a role; the Americans were also attempting to secure their own energy exports. At the end of 1981, after martial law had been declared in Poland, Reagan announced more unilateral economic measures against the

⁷³ Dept. 421 status of negotiations about oil pipeline deal 16.6.1981, in PA AA ZA 132521.

⁷⁴ On the Communiqué meeting between Schmidt and Honecker cf. 11.-13.12.1981: note 24.11.1981, in PAAA ZA 132521, talk between Schmidt and Honecker 13.12.1981, in ADAP 1981, vol. 3, 1930.

⁷⁵ Note 24.11.1981, in PA AA ZA 132521.

⁷⁶ *Der Spiegel* August 30, 1982, 91f.

⁷⁷ Cf. Lippert 2011, 167 and Wörmann 1986, 129-71, also see: Müller 2010, 501-20.

⁷⁸ Lamsdorff to U.S. ambassador Burns 21.9.1981, in PA AA ZA 132521 and note on gas pipeline deal 9.10.1981, in *ibid*.

⁷⁹ Talk between Schmidt and Reagan 19.7.1981, in ADAP 1981, vol. 2, 1142.

⁸⁰ Note BMWi II D 2/AA 405, 4.11.1981, in PA AA ZA 132521 and dept. 405 AA 5.11.1981, in PAAA ZA 126889.

USSR, such as “mandatory licensing of exports from oil and gas facilities,” which also applied to American oil drill components and pipe-laying machinery.⁸¹

The Federal Republic made various attempts to temper American objections. It stressed that Soviet gas had deliberately been limited to 30 percent and that the Soviet Union thus supplied them only about six percent of primary energy exports. In reality, the proportion was somewhat higher, if including the enriched uranium for atomic energy. An important argument was that natural gas was supplied not only to the Federal Republic, but also to several neighboring countries, and therefore it was not possible to target only the Federal Republic with sanctions. Economic considerations made sanctioning several countries extremely unlikely. Moreover, government representatives pointed out that they tripled the West German underground gas reservoir and that the European gas networks were flexible enough to compensate a fallout of the Soviet gas supply.⁸² In 1980/81, the Federal Republic also made clear that the Soviet Union was a much more reliable partner than Algeria, which supplied gas mainly to France, but aspired to build a pipeline to the Federal Republic.⁸³ There were no other alternatives, they argued. Iran was out of the picture, and Norway was interesting only in the long run. Leading German politicians were convinced that this type of long-term cooperation would be able to prevent future wars and that the development of Siberia would keep the Soviet Union away from the Persian Gulf.⁸⁴ The most important argument for adhering to the contracts was probably the promotion of West German exports to the Soviet Union, which played a crucial role for this country. The contracts enabled currency exchange and confidence building for future trade with the Soviet Union in general.⁸⁵ Notably missing is an argument that seems obvious in retrospect: the use of natural gas was more environmentally friendly than American coal from and atomic power.

Internally, future dependence on Soviet energy was indeed seen as problematic. However, only the Soviet invasion of Poland could cause the contracts to break down.⁸⁶ The United States had no more success with Germany’s neighbors, such as France. The French president Mitterand informed Reagan that he would make a deal with the United States if they would supply gas at the same

⁸¹ “Lizenzpflicht für Exporte von Öl- und Gaseinrichtungen”; assessment of the letter by Secretary of State Haig to Genscher 29.12.1981, in ADAP 1981, vol. 3, 2068.

⁸² Lamsdorff to Ambassador Burns 21.9.1981, in PA AA ZA 132521.

⁸³ Talk between Schmidt and Lisen (Vorstandsvorsitzende Ruhrgas AG) 23.6.1981, in PA AA ZA 126889 and talk between Genscher and Haig 9.3.1981, in ADAP 1981, vol. 1, 345.

⁸⁴ Minutes of talk between Schmidt and Carter 5.3.1980, in ADAP 1980, vol. 1, 406.

⁸⁵ Schmidt's visit to the U.S.A., preparations dept. VA 5 AA 14.5.1981, in PA AA ZA 126889.

⁸⁶ Talk between Genscher and board of directors of Ruhrgas AG 23.6.1981, in PA AA ZA 132521 and talk between Schmidt and Reagan 19.7.1981, in ADAP 1981, vol. 2, 1142.

price as the Russians.⁸⁷ France also believed that the 30 percent limit on gas from the Soviet Union was acceptable. Ultimately, the deal with Western Europe succeeded, but with significantly lower supplies than had been expected. Instead of the projected 40 billion cubic meters per year, 30 billion per year would be supplied to Western Europe, one-third of which went to the Federal Republic.⁸⁸

This East-West deal with the Soviet Union did not just cloud relationships among NATO partners; the disgruntlement it triggered within the Warsaw Pact had perhaps more serious consequences. Since the Soviet Union had increased its sales to the West after the 1979 oil crisis, it reduced its cheap long-term supply to its sister states. In 1982, the contractual amounts were reduced by 10 percent, with exemptions for only Poland and Cuba due to their political situations.⁸⁹ This reduction was fatal to the socialist countries' economies and endangered their political status. The SED viewed it as "the beginning of the end of Soviet global strategy," and Honecker supposedly questioned Brezhnev as to why he "wanted to risk the existence of the GDR because of two million tons of petroleum,"⁹⁰ since, even for relatively wealthy Socialist countries such as the GDR, it had far-reaching consequences. On the one hand, the natural gas supply reduction led to a huge increase in brown-coal mining as a substitute. On the other hand, the decision seriously aggravated the GDR's financial status after 1979 and helped lead to its reliance on the Federal Republic for billions of Deutschmarks in loans. Similarly, the attempt to increase energy production in the GDR led to major problems in the 1980s. Accidents increased, and the hoped-for savings on raw materials failed.⁹¹ As had happened with the Soviet Union, the second oil crisis encouraged interdependencies between the two parts of Germany. Thus, in 1979 the two Germanies negotiated new means of cooperation. For example, the GDR wanted to sell more coal and crude oil and in return purchase more gas oil.⁹² Also, the FRG Ministry of Economics had confidential talks with the GDR Ministry for Foreign Trade about building a brown coal plant in the GDR, which was to be financed by the electricity it would supply to the Federal Republic.⁹³

⁸⁷ Talk between Schmidt and Mitterand 20.7.1981, in *ADAP* 1981, vol. 2, 1153.

⁸⁸ Data acc. to Ruhrgas, in Wörmann 1986, 103.

⁸⁹ Danos 1988, 59.

⁹⁰ "das beginnende Ende der sowjetischen Globalstrategie"/"wegen zwei Millionen Tonnen Erdöl die Existenz der DDR aufs Spiel setzen wolle"; As the chairman of the dept. for international relations of the Central Committee later remarked; Günter Sieber, Ustinow tobte, Gorbatschow schwieg, in Zimmermann and Schütt 1992, 232. Also cf. talks in Hertle and Jaraus 2000, 106.

⁹¹ Rösler and Semmelmann 2005, 55-6.

⁹² Cf. reports by the Federal Ministry for Economy dept. II C1 8.1.1979 and 17.4.1979, in Bundesarchiv B 102/280958.

⁹³ Ungerer's documentation of cooperation on nuclear energy 21.8.1979, in *ADAP* 1979, vol. 2, 1164; Gaus's documentation of talk with Schalck-Golodkowi 30.5.1980, in *ADAP* 1980, 870.

Thus, one could conclude that the second oil crisis gave new impetus to East-West cooperation and destabilized socialist countries. The collapse of oil prices in the mid-1980s in particular brought the Soviet Union new problems. But, above all, energy diplomacy achieved new importance: in spite of the political crisis, it crossed the Iron Curtain.

5. Conclusion: Energy Diplomacy as "a Marathon into the 21st Century"

It has frequently been noted that the energy crises accelerated and manifested processes of globalization, particularly with regard to industrialized Western countries and their interdependencies with Arab and Latin American oil-producing countries. As the energy market shifted into higher gear in the 1970s, the Soviet Union emerged as an important trading partner, who desired close relations with industrialized Western countries. While this desire was rooted in economics, forming such relations was without exception politically relevant and depended upon political support.

From this perspective, the oil crisis of 1973 was not a crucial turning point. Rather, energy diplomacy between the East and the West entered a dynamic phase as early as the late 1960s, with numerous cooperative projects initiated before the 1973 crisis. We can assume that the Soviet Union's booming economy and the short oil embargo during the June War of 1967 played significant roles in the context of these developments. The fact that political tensions between the blocs were beginning to ease is certainly an important point. At the same time, however, energy diplomacy was a precondition – a catalyzer for Brandt's *Ostpolitik* frequently referenced since 1970.

The 1973 oil crisis galvanized East-West cooperation and was the cause for numerous grandiose plans intended to connect the two sides through their individual energy transport systems. Far from being restricted to the famous gas pipeline installed in the Federal Republic, these systems also involved nuclear energy and oil supplies. Significantly, however, while cooperative schemes initiated before the oil crisis were pursued further, collaborations that arose under détente in particular and, more precisely, during the time at which the CSCE was negotiating the Helsinki Accords failed. This failure was due to the Soviet Union's erratic, yet confident demeanor and the grandeur with which they invested in these plans.

When, in 1981, negotiations regarding the natural gas industry entered the home stretch despite continuing political crises, West German Foreign Minister Hans-Dietrich Genscher remarked to his Soviet colleague Andrei Gromyko, "We are not short-distance sprinters. This is a marathon into the twenty-first

century.”⁹⁴ In terms of both time and space, energy diplomacy set a course for long-term developments from the late 1960s onwards. Time frames thus shifted during the seventies. On the one hand, resource constraints elicited a feeling of limitedness, which was closely connected with the Soviet Union’s resource power and increased during the energy crisis. On the other hand, large-scale projects necessitated that trading partners consider long-term effects. In particular, the pipeline, as well as joint plans to build nuclear power plants, presupposed decades of cooperative thinking, implying mutual trust in a stable and long-lasting relationship. In some respects, however, while creating a climate of long-lasting optimism, these large-scale investments also deprived both sides of alternatives.

The invasion of Afghanistan was for these positive approaches. Yet, from our present perspective, the documents reveal how well-calculated and with what persistence matters of cooperative energy and economic policy with the Soviet Union and the Comecon states were pursued even in the early 1980s. The second oil crisis and the pipelines that were concurrently built, especially, must have made it seem as though there was no alternative to cooperation. In this context, energy diplomacy was pivotal for maintaining, and even developing, forms of cooperation in the face of political differences.

In spite of the many changes in the energy sector, these cooperative energy programs not only continue to exist, but have also expanded. Russia remains the world’s biggest producer of oil and natural gas, and its wealth and power depend to a large extent on these resources. However, public criticism of Gazprom’s market power has become stronger.⁹⁵ The Soviet Union hardly used their position of power in their trade with Western nations, because it did not want to endanger its most important export market. However, its Eastern European neighbors, such as Ukraine, are still suffering under their dependency on Russian energy.

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⁹⁴ "Wir sind keine Kurzstreckenläufer. Dies ist ein Marathon ins 21. Jahrhundert"; talk between Genscher and Gromyko 24.11.1981, in ADAP 1981, vol. 3, 1835.

⁹⁵ Cf. books such as: Rahr 2008.

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