

# Who benefits from the crisis in Ukraine?

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Graphic: Rebelion

The conflict in Ukraine combines factors such as the attempt to weaken or destroy Russia by Western powers led by the United States, who want to maintain an impossible unipolar world, the [extension of NATO](#) to the far reaches of Eastern Europe, and also financial and profit elements.

Within the field of economic robbery, **two important components are continuing to dedicate huge amounts of money to the Military-Industrial Complex**; and the other that becomes more evident every day in the incessant threats of the Joe Biden administration to Russia, **the desire of American energy producers to invade European markets with natural gas from fracking.**

The rogue media saturates the world with speculation about Russia's intention to annex Ukraine and speculates in the most ridiculous way about Moscow's alleged desire to freeze Europe by cutting off gas supplies, **but very few reporters in the corporate media ask who will benefit financially. of the confrontation in Eastern Europe.**

Because the answer to this question clearly reveals that the source of the conflict is not Russia.

Putting together a few pieces of the puzzle, some clear winners in the Ukraine crisis begin to emerge, be it a limited conflict or "special operation" as it has been up to now, or a real full-scale war: the multinational oil and gas corporations.

And it would seem that this industry found the most powerful spokesperson in the world to represent its interests: the United States government and the seraphic President Biden, whose son Hunter Biden and Burisma Holdings (the largest Ukrainian gas producer), are as we say in Cuba "Flesh and Bone".

Chevron, [ExxonMobil](#), Shell and several others, along with hundreds of drilling contractors and equipment suppliers who work with them, **want to vastly increase exports to gas-hungry Europe**, but Russia and its state-owned Gazprom are standing in the way.

Currently, Russian natural gas accounts for more than 30 percent of all imports into the European Union. Major EU powers Germany and France get 40 percent of their

gas from Russia, while other countries, such as the Czech Republic and Romania, use only that of the Eurasian nation.

In order to dislodge the competition and gain a greater or total market share, the multinationals need to curb the supply of gas from the East.

## **The free market?**

World market prices for oil and natural gas have soared in recent months and especially in recent days, driven by several factors: record demand in Europe and Asia as the manufacturing industry recovers somewhat from the pandemic, supply limited, as some of these facilities are only starting to come back online.

Stockpiles of stored goods are pretty depleted due to a long, cold winter in 2020 and now 2021-22, and countries like China and Germany moving away from dirtier fossil fuels like coal and the ever-unpopular nuclear power.

Producers in the United States want to participate and control this bonanza, especially in Europe, where gas prices have increased fivefold in 2021 and now, with the military actions in Ukraine, they are going to go through the roof.

The United States is the largest producer of gas in the world and extracts more from the ground every day. That has been the case since 2005, when output, which had been level for decades, rose sharply.

Flush with gas, American corporations today increasingly look to Europe as a customer, and the U.S. government acted both enthusiastically and viciously as an active seller of them.

Thanks to a 2018 deal struck between the Trump administration and the EU, U.S. gas sales to Europe rose steadily, from 16 percent in 2019 to 28 percent at the end of 2021.

However, **there is a problem that could limit growth: U.S. natural gas is expensive, considerably more than that from Russia.** Hydraulic fracking substantially increases production costs.

Furthermore, in order to be exported to international customers, U.S. gas must be liquefied and loaded/unloaded onto tankers at expensive specialized terminals.

Converting fracked shale gas to liquefied natural gas (LNG) can more than double the cost for U.S. companies, putting them at a disadvantage against cheap Russian gas that travels through pipelines.

The [international gas pipeline](#) project, known as Nord Stream 2, is particularly threatening to the sales of these multinationals.

**Built jointly by Germany and Russia under the Baltic Sea, it would provide easy and affordable access to gas for the EU.** For Russia, it is a guaranteed means of accessing its biggest buyers. For both the EU and Russia, Nord Stream 2 means providing and receiving huge amounts of gas at low cost. Once operational, it will transport more than double the amount of Russian gas that currently flows to Europe. That is why this immense work of engineering had to be stopped at any cost. War for the imperialists is always the first option.

## **A convenient crisis for big capital**

How convenient then that tensions between the U.S. and its Ukrainian ally on the one hand and Russia on the other escalated just as the finishing touches were being put on Nord Stream 2 in late 2021.

With its own pipeline revenues in trouble, Ukraine's government pressured Washington throughout the summer of last year to impose sanctions on Nord Stream 2 and the German and Russian companies behind it.

The Democrat-dominated U.S. Congress sided with Ukraine's rulers, inserting the desired sanctions into the defense spending (military budget) bill.

President Biden, knowing that his European allies were staunchly opposed to anything that threatened their energy supplies and that the infrastructure was simply not in place on both sides of the Atlantic to fill the void left by a sudden drop in gas supply Russian, said he would not approve sanctions against Nord Stream 2. But it is one thing to say and another to do.

Both Republican and Democratic lawmakers in Congress backed down, presenting the sanctions as a way to "deter Russian aggression against Ukraine."

Ultra-conservative Cuban-American Senator Ted Cruz of Texas, who represents the top fracking gas-producing state in the United States and is the industry's first recipient of campaign donations from the industry, has been one of the strongest advocates of sanctions. against Russia.

Endless warnings of an "imminent" Russian invasion and the sending of NATO troops and weapons to Eastern Europe finally gave the "desired result" for the U.S. and NATO.

With Europe's energy security jeopardized by Russian military action, who is ready to help? None other than the U.S. gas industry, of course.

## **Profit ploy?**

So is the whole Ukraine thing just a scheme to protect and increase profits for U.S. natural gas producers?

The crisis was not caused solely by gas sales. That would be an oversimplification of a very complex situation with historical roots that go back long before the fracking boom began in the United States.

**The United States and NATO have been engaged in a campaign against Russia since the 1940s.** NATO was founded as a military alliance to attack the Soviet Union, an instrument to promote Washington's imperial interests in Europe and contain the growth of socialism. In the continent.

When the U.S.SR fell and the anti-communist cause lost its reason for being, the West took advantage of Russia's weakness to deploy its armed might to the borders of that country. As it was rebuilt, the new logic became "containment" of a supposedly aggressive Russia.

The effort to bring Ukraine, second in importance among 15 republics of the former U.S.SR, under the military control of the United States, and install nuclear missiles within a five-six minute flight from Moscow, remains at the center of the crisis in Eastern Europe.

Russia's key and inalienable security demands still revolve around this issue. That Ukraine becomes a nuclear nation is also completely unacceptable.

But the wishes of the powerful oil and gas industry in the United States added a highly complicating factor to the equation. There is a convenient confluence of imperialist geopolitical goals and capitalist economic interests at work.

And barring a full nuclear Armageddon between the U.S. and Russia, some people will emerge victorious no matter what. Let's not forget the name of Hunter Biden, and neither that of other "pejes" [?] like Rudy Giuliani et al.

The bet of the gas giants of the United States is that Western Europe immediately joins Washington in sanctioning Russia in the most severe way, and that Germany disconnects Nord Stream 2 "forever".

Overnight, gas sales in the United States would have to increase for Europe not to freeze. Even more U.S. ships would set sail for European ports carrying LNG and

return loaded with profits. For North American oil and gas producers, the situation is beneficial as long as there is a war.

*(With information from Prensa Latina)*

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