

not present a binary pair as a key to understanding Russian culture: the firebird and the fox are not exactly opposites, but rather complementary and ambivalent figures that are subject to constant reinvention and reimagining. Brooks's subject is the process of reimagining, which he shows as a never-ending dialogue between high and low culture. This is also a dialogue between different art forms. Perhaps the book's most rewarding feature is that it examines print culture in the round: not just the words on the page, but the images that accompanied those words. Illustrators such as Aleksei Afanas'ev, Ivan Bilibin, and Nikolai Radlov deserve equal billing with the writers. The relationship between text and image (and music, which Brooks also discusses in places) may well prove to be another distinctive feature of the modern Russian cultural experience. To follow the logic of Brooks's earlier work, this might be seen as a consequence of Russia's late and accelerated acquisition of literacy; at any rate, it reflects the fact that the boundaries between high and low, and between different modes of cultural activity, were unusually permeable. Moreover, a text that is incomplete without its accompanying image or music lends itself to the irony that Brooks identifies as another hallmark of modern Russian culture.

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***The Bridge: Natural Gas in a Redivided Europe.*** By Thane Gustafson. Cambridge, Mass.: Harvard University Press, 2020. iv, 506 pp. Notes. Index. Tables. Maps. \$39.95, hard bound.  
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## Introduction

The new book by Thane Gustafson, *The Bridge: Natural Gas in a Redivided Europe*, uses a “bridge” metaphor (usefully employed throughout the book in various meanings) to explore the stabilizing role played by the natural gas trade in the Europe-USSR/Russia relationship, and seeks to understand whether it could continue to play this role in the future, as at the start of 2020s Europe finds itself re-divided, both in its perception of Russia (geopolitics) and natural gas (environmentalism). Acknowledging that the gas trade “became a subject of strife,” the author examines whether a shared (mostly economic) interest will continue and if it will be sufficient for overcoming new divisions—in other words, will the bridge survive?

## The Origins of the Bridge

The book is built around three main themes. The first theme is the origins of the Europe-Russia gas bridge. The author explores how the first Soviet gas exports to Austria, followed by exports to Germany, laid the foundations of the

gas bridge—the Austrian agreement being “the first stone” and the German “gas for pipes” agreement being “the single most important moment” in the creation of the bridge, facilitated by the German foreign policy of *Ostpolitik* aimed at reducing Europe’s political tensions with the USSR.

The book pays considerable attention to the development of the Soviet gas industry—the non-European pillar of the bridge, built around the highly centralized Unified Gas Supply System, which included supply, production, transportation, distribution, storage, and a pipeline construction unit, all the responsibility of the Soviet Ministry of Gas, with gas exports being the responsibility of the Ministry of Foreign Trade. One of the most striking features of the industry is how little its organizational set-up has changed since its inception. Another important feature is the industry’s resilience and ability to overcome extreme technical challenges, associated with west Siberian (and later Yamal) gas field development, and to guarantee timely delivery on export contracts. Possibly the most striking feature of all, well documented in the book, is the key role played by several individuals, without whom the industry might have neither developed in the 1950s-70s nor survived in the 1990s. One of them was Aleksey Kortunov, the first Soviet gas minister, who was “the architect of the gas bridge,” designing the concept of an export pipeline based on west Siberian gas and paving the way for the “gas for pipes” agreement. Another was Viktor Chernomyrdin, the last Soviet gas minister and the first CEO of Gazprom, who preserved and strengthened the industry after the USSR break-up, with exports to Europe continuing uninterrupted.

Gustafson also provides a good overview of Dutch and Norwegian gas industries—the European pillars of the bridge. The Dutch gas industry (based around the giant Groningen gas field) is the pioneer of the European gas industry not only because it is the European domestic production base and the source of first exports, but also in terms of establishing a traditional European contractual model, based on the “Groningen formula” (linking the price of gas to that of oil), on which all European gas contracts were based until the late 1990s, when it was replaced by the liberalized model (with gas priced off the hubs). The Norwegian gas industry (based around offshore gas fields in the North Sea) is also a very important element of the European gas industry, playing the role of “counterweight” to Soviet gas, partly because Norway’s gas was not seen as “geopolitical” as the Soviet/Russian, and partly because it allowed both state and private (including foreign) ownership and operatorship of its industry. The author argues that the Norwegian gas has provided a stabilizing influence on the Europe-Russia gas bridge by making it more balanced (as the gas was coming not only from Russia but also from the European pillars of the bridge) but warns that this may not continue in the future should the Norwegian gas slowly fade away due to the challenging economics of its new remote fields and the growth of environmental opposition. Nonetheless, as Gustafson notes, a rise in the global liquefied natural gas (LNG) trade would contribute towards keeping the bridge balanced, thus taking on the role previously played by (plateauing) Norwegian and (rapidly declining) Dutch gas production.

## **The EU Neo-liberal Regulatory Revolution and Its Impact on the Bridge**

The second theme of the book is the EU regulatory revolution (1990s-2000s), which changed the structure of the European gas industry (by mandating third party access to gas pipelines, tariff transparency, and competition) and its impact on the Europe-Russia gas bridge. This revolution was led by the European Commission (EC), which was heavily influenced by UK/US neo-liberal market ideas—“bridging” across the English Channel and the Atlantic—and sought to re-model the European gas industry accordingly. Just as personalities mattered in the development of the European and Soviet gas industries, personalities mattered in the development of the EU regulatory agenda. It is strikingly clear from the book that had it not been for the sheer enthusiasm and determination of several EC officials—mostly but not exclusively from the UK—which spearheaded the Single European Market (SEM) and the Internal Energy Market (IEM) legislation, as well as those willing to use the EC’s competition law with respect to the gas sector to the fullest extent possible, EU gas market liberalization might have never happened, at least not in its form and not to such an extent. This process was also helped by the European Court of Justice (ECJ), whose decisions on competition cases in the gas sector almost always went in favor of the EC. Ultimately, the traditional gas model has been replaced by the new liberalized model, which was not “native” to continental Europe’s own approach to deregulation—that of “ordo-liberalism,” which believes that only a strong state can ensure competition, thus differing significantly from the UK’s neo-liberalism where the role of the state is minimal. (Ironically, the neo-liberal model inhibits the resolution of one of the most pressing challenges of the European gas industry in the 2020s—decarbonization—and it remains to be seen whether it might be revised in the future.)

The EU’s regulatory revolution not only had a profound impact on the European gas industry, changing it almost out of recognition, but also influenced the regulatory framework of Russian gas exports to Europe—although not the structure of the Russian gas industry itself—through contractual changes, which Gazprom had to agree to as a result of negotiations, arbitrations, and EC competition inquiries. Yet the Europe-Russia gas bridge has proved adaptable, and its European and Russian pillars have survived the EU regulatory revolution, both eventually adapting to the new framework, albeit after prolonged legal battles.

## **Yamal Development and Preservation of the Bridge**

The third theme of the book is post-Soviet evolution of Gazprom, including the Yamal gas field development, which enabled Gazprom to preserve and expand the resource base of the Europe-Russia gas bridge. At a time when the European gas industry was battling with the EC for the preservation of its traditional structure, the Soviet gas industry was battling for its very existence. It faced a real danger of being broken up—thus repeating the fate of the Soviet oil industry—but its highly centralized nature, lack of third

party access, and inability for third parties to export gas outside of long-term contracts (LTC), all served as a barrier. Gustafson relates a fascinating story of the last Soviet gas minister, Viktor Chernomyrdin, who fought hard to prevent “the disintegrative force of greed” from wrecking the industry, turning the Gas Ministry into a state concern (Gazprom) and adding the Ministry of Foreign Trade’s gas exports department to Gazprom (Gazprom Export), thus consolidating the entire value chain in Gazprom’s hands. He became Gazprom’s first CEO and shielded it from the Russian Anti-Monopoly Service and State Property Fund, with the help of then-acting Prime Minister Egor Gaidar, who conditioned his support on Gazprom’s obligation to supply the domestic market (using export revenues to compensate for any losses) and remain a Russian company. Gazprom was vital in providing a financial “bridge” for the Russian economy through the economic collapse of the 1990s. Although preserved by Chernomyrdin, Gazprom suffered serious mismanagement under its next CEO, Rem Viakhirev, manifest in the loss of fields and a lack of investment, ultimately leading to a supply shortage (to the point of Viakhirev making a penance trip to Turkmenistan to secure additional gas). The page was turned in the 2000s when the new Russian president, Vladimir Putin, sought to re-centralize Gazprom. Under its new CEO, Alexey Miller, Gazprom has made massive investments in the Yamal gas fields, recovered lost fields, eliminated intermediaries in gas sales in Russia and abroad, and adapted to the changing EU regulatory environment. It has also launched a transit diversification strategy, building Yamal-Europe, Blue Stream, Nord Stream, TurkStream, and (currently under construction) Nord Stream 2 pipelines, thus “bridging” Russia with its major buyers transit-free, in the hope of avoiding a repetition of transit crises that harmed its reputation as a reliable supplier.<sup>1</sup> One of the legacies of Viakhirev’s unmanaged Gazprom de-centralization was the appearance of multiple actors in the Russian gas sector, active both in pipeline gas and LNG. While this has weakened Gazprom’s own position, it may have strengthened the foundations of the Europe-Russia gas bridge by making the Russian gas industry more diversified, with not only pipeline gas but also LNG exports (which Gazprom has been slow to develop).

### **The Future of the Bridge**

Having explored all the three themes, Gustafson comes back to his original question of whether the Europe-Russia bridge, which has been sustained by “the community of economic interest,” will survive as “geopolitics and environmentalism have threatened to weaken its pillars”? Rather than providing a definitive answer—which is probably impossible—he offers two scenarios: one is the “golden age of gas,” under which the bridge survives through 2050: while vulnerable to geopolitical conflict, changes in Russian export strategy, and Ukrainian transit developments, it is ultimately buttressed and reinforced. The other is “environmentalism,” under which the fate of the bridge is significantly more uncertain, where it is still likely to survive (albeit

1. See Katja Yafimava, *The Transit Dimension of EU Energy Security* (Oxford, 2011).

for a shorter period) but stagnate. The author believes that “golden age” is likelier in the 2020s but “environmentalism” becomes more plausible by the 2030s and dominant by 2050.

Whichever way the question of the bridge’s survival and longevity might be answered, this book is certainly an important read for foreign policy/security and industry readerships alike, interested in “bridging” their differences over Russia and natural gas.

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