Geopolitical Analysis: Prospects for Resuming Russian Gas Flows to Europe via Ukraine
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The geopolitical landscape surrounding the potential resumption of Russian gas flows to Europe via Ukraine has undergone significant shifts with the arrival of Donald Trump in the White House. Trump's geopolitical vision, which emphasizes spheres of influence and mercantilist economic policies, has introduced new dynamics into the equation. This short analysis evaluates the chances of resuming gas flows through Ukraine in the short to medium term, considering the evolving geopolitical context and the factors at play.

Trump's Geopolitical Vision and Its Implications

Donald Trump's approach to international relations is characterized by a pragmatic, business-oriented mindset. His administration appears to favor a multipolar world order, where the United States, China, and Russia negotiate spheres of influence, reminiscent of a Yalta Conference. In this framework, the European Union (EU) is relegated to a subordinate role, with limited influence of individual member states over major geopolitical decisions. Trump's mercantilist policies prioritize U.S. economic interests, particularly the export of American liquefied natural gas (LNG) and other goods, over maintaining the traditional "imperial dominance" sustained by specific sectors of the U.S. administration.

This shift in U.S. foreign policy—from the Biden era to the Trump era—could have direct implications for the future of Russian gas flows to Europe. Trump's willingness to engage with Russia and his focus on economic gains could either facilitate or hinder the resumption of gas transit through Ukraine, depending on how U.S. interests align with those of Russia and Europe.

Rationale in Favor of Resuming Gas Flows via Ukraine

1. **U.S.-Russia Peace Negotiations:**
   If the Trump administration negotiates a peace deal with Russia that allows Moscow to exert greater influence over Ukraine's political and economic future, this could pave the way for the resumption of gas flows. Such an agreement might include provisions for Ukraine to resume its role as a transit country for Russian gas.
2. **Ukrainian Oligarchs' Interests:**
   Several Ukrainian private and state oligarchs with vested interests in maintaining business-as-usual relationships with Russia and Gazprom could push for the resumption of gas transit. These actors stand to benefit personally from renewed cooperation with Russia.
3. **Economic Necessity for Ukraine:**
   The transit contract between Ukraine and Gazprom could be a critical source

of revenue for the Ukrainian state, which is currently bankrupt and reliant on Western financial support. Resuming gas flows could provide much-needed income and reduce Ukraine's dependence on Western aid.

4. **Negotiated Concessions:**
   Russia and Ukraine could reach a deal to restart gas transit in exchange for territorial or other concessions. Such an agreement would require careful negotiation but could serve the interests of both parties.
5. **Pressure from Landlocked EU Member States:**
   Countries like Austria, Czechia, and Slovakia, which are heavily reliant on Russian gas, could face significant energy shortages in the coming months. These countries may pressure the EU and Ukraine to resume gas transit to ensure energy security.
6. **Rise of Pro-Russian Political Parties:**
   The growing influence of right-wing parties such as Austria's FPÖ and Germany's AfD, which advocate for improved relations with Russia, could shift the political landscape in specific Member States in favor of resuming gas flows.
7. **Rare-Earth Metals:**
   Rare-earth metals represent an important strategic resource for the high-tech U.S. industry. China currently holds a monopoly over these resources. Mr. Putin has offered Mr. Trump a deal to sell rare-earth metals to the U.S. Just for the sake of speculating, iIt is possible that such a deal could include concessions in kind, such as the resumption of Russian gas flows.

Rationale Against Resuming Gas Flows via Ukraine

1. **U.S. LNG Interests:**
   The Trump administration has a vested interest in promoting U.S. LNG exports to Europe. Allowing Russian gas to flow through Ukraine or via Nord Stream would undermine the competitiveness of American LNG, which is more expensive than pipeline gas from Russia.
2. **U.S. Trade Deficit Concerns:**
   Trump's focus on reducing the U.S. trade deficit could lead to policies that prioritize the export of American goods, including LNG and weapons, to Europe. Cheaper Russian gas would reduce European demand for U.S. LNG, negatively impacting American shale gas producers.
3. **EU Support for Ukraine:**
   The EU and its member states have demonstrated strong support for Ukraine, including the imposition of new sanctions on Russia. Maintaining the suspension of Russian gas transit through Ukraine aligns with the EU's commitment to backing Ukraine as a trusted ally. It is also possible that this attitude of the EU and some of its member states could delay the end of the war.

4. **Ukrainian Government:**
   It seems clear that the present government of Ukraine (under Zelensky) will not resume the flow of Russian gas. It is plausible that the government, even in a post-Zelensky phase, could maintain this stance, especially with EU support.
5. **REPowerEU and Energy Diversification:**
   The EU's REPowerEU initiative aims to phase out Russian gas by 2027 diversifying energy sources and increasing renewable energy production. This mid-term strategy reduces the likelihood of a return to reliance on Russian gas, even if short-term challenges arise.
6. **European Oil & Gas Major Stakeholders:**
   The majority of EU stakeholders have already diversified their supply (mainly via LNG) and entered into long-term contracts with their counterparts (e.g., U.S. gas producers).
7. **Peace Negotiations Will Take Time:**
   At present, there is a general feeling that peace negotiations will take a long time to reach a conclusion. This fact is detrimental to the fast resumption of gas flows through Ukraine.

Conclusion: A Fragile Balance

The prospects for resuming Russian gas flows to Europe via Ukraine in the short to medium term hinge on a complex interplay of geopolitical and economic factors. While there are compelling arguments in favor of resuming transit, including the economic interests of Ukrainian oligarchs and the energy needs of landlocked EU member states, significant obstacles remain. The Trump administration's focus on promoting U.S. LNG exports and reducing the trade deficit, coupled with the EU's commitment to supporting Ukraine and phasing out Russian gas, creates a challenging environment for any potential agreement.

In the current geopolitical climate, the resumption of gas flows through Ukraine appears unlikely in the short term. However, the situation remains fluid, and any significant shift in U.S.-Russia relations or EU energy policy could alter the balance. For now, the status quo of suspended gas transit is likely to persist, with Europe continuing to seek alternative energy sources and the U.S. pushing its LNG exports as a primary solution.

This analysis underscores the importance of monitoring developments in U.S.-Russia relations, EU energy policy, and the internal dynamics of Ukrainian politics to assess the likelihood of a resumption of gas flows in the future.