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## US ENERGY POLICY: A DISTORTING FACTOR FOR US STABILITY DOMESTICALLY AND INTERNATIONALLY

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**JCSP 44**

***Exercise Solo Flight***

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## **US ENERGY POLICY: A DISTORTING FACTOR FOR US STABILITY DOMESTICALLY AND INTERNATIONALLY**

Petroleum has been a critical resource that has been the focus of many decisions made by states concerning national economy and security. Some states, such as those from the consortium of the Organization of the Petroleum Exporting Countries (OPEC) including Saudi Arabia, and Venezuela as well as non OPEC members such as Canada have an abundant oil supply.<sup>1</sup> Most other states, with little or no petroleum producing or refining capabilities, must develop mechanisms to control petroleum use and match national consumption with a viable and consistent supply. Often, petroleum is sourced from outside of states from such places as Canada, and the Middle East including such countries as Saudi Arabia, and Kuwait.<sup>2</sup> Interest in the Middle East by western states has long been concentrated on leveraging power from a few select Middle Eastern states such as Israel, and Saudi Arabia, but has not historically included proximal states that do not hold desired Western resources including petroleum. Western apathy, mainly the United States (US) towards other states has mainly been motivated by the desire for petroleum resources. This has been created through long-term impacts of short-sighted foreign policies as well as US domestic constancy in response to its energy policies has created significant issues for the US in its international relationships.

US interests in the Middle East are multi-layered and include energy, influence and security. Energy interest has long been shaped by US energy policy due to the direct links

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<sup>1</sup> OPEC Member Countries, *About US*, accessed Apr 29, 2018, [http://www.opec.org/opec\\_web/en/about\\_us/25.htm](http://www.opec.org/opec_web/en/about_us/25.htm)

<sup>2</sup> "US Petroleum Imports from Source Country." *Oil & Gas Journal* 100, no. 4 (Jan 28, 2002): 94. <https://search.proquest.com/docview/274428391?accountid=9867>.

between US petroleum requirements and reliable access to them. Energy, along with other critical resources such as water and agriculture, has and will continue to be a fundamental focal point for US foreign policy. The importance of energy resources has also had significant impact on the US and its level of external relevance. In 2004, Joseph Nye highlighted the importance of both hard and soft power, US foreign policy and the ability to remain a powerful state in the international arena; this influence can be directly linked to the control of vital interests.<sup>3</sup> For example, during the Iranian oil crisis of the 1950s, US access to oil was threatened, thereby prompting the US to become highly interested in the region. (insert citation) After all, a lack of a reliable oil supply would have serious consequences on the US's ability to project power around the world. (insert another citation) The US's oil dependency drives, in no small part, its foreign policy.<sup>4</sup>

This paper will examine how US energy policy has become a distorting and destabilizing factor for access to oil both domestically and internationally. Arguments will focus on two factors including: 1) an examination of US energy policy, the main actors who are involved in its development and employment, and the problems associated with it; 2) an examination of how US energy policies impacted strategic military decisions during the First Gulf War and how those decisions resulted in both regional instability and, consequently, uncertain US access to oil.

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<sup>3</sup> Joseph S. Nye Jr., "Soft Power and American Foreign Policy." *Political Science Quarterly (Academy Of Political Science)* 119, no. 2 (Summer2004 2004): 255-270. *Military & Government Collection*, EBSCOhost (accessed April 18, 2018).

<sup>4</sup> Juan Romero (2014) Decolonization in Reverse: The Iranian Oil Crisis of 1951–53, *Middle Eastern Studies*, 51:3, 463, DOI: 10.1080/00263206.2014.973405

## US ENERGY POLICY DEVELOPMENT, EMPLOYMENT, AND RISKS

Western interest in petroleum, particularly in the Middle East, continues to be argued by both scholars and policy-makers. How will the US acquire and control oil? Many, such as R. C. Eze, argue that Western interest in the Middle East region is motivated by hegemonic resource power interest<sup>5</sup>. Specifically, US 'National Interest', which in the case of the oil-rich Middle Eastern region, is ensuring steady access to her greatly required Oil (Petroleum) at favourable price.<sup>6</sup> Some authors, such as Shibley Telhami, argue that China "requires" a presence in the Middle East region.<sup>7</sup> Telhami et al. stat, "from the Chinese perspective, the Middle East is not just where over 60 percent of the world's oil and 40 percent of its natural gas reserves are found. It is also the strategic point where Asia, Africa and Europe converge."<sup>8</sup> Telhami further states that "China is the fastest growing market for the region's oil and gas as well as energy-intensive industries like cement, steel, fertilizer and other petrochemicals."<sup>9</sup> Telhami further explains that the US has built a foreign policy shaped around its energy policies to counter Chinese and Russian influence in the region.<sup>10</sup> This would minimize Chinese and Russian influence to the region and permit the US to have more power in the region and positively influence the access to petroleum.

To understand how important consistent access to petroleum is for the US, examination must be conducted regarding how petroleum is integrated into the US economy and security. In

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<sup>5</sup> R. C. Eze, Phd, " Oil as the Fundamental Determinant of United Sates Foreign Policy Towards the Middle East." *Arabian Journal of Business and Management Review (Oman Chapter)* 5, no. 3 (10, 2015): 1-7. <https://search.proquest.com/docview/1717416760?accountid=9867>.

<sup>6</sup> *Ibid.*

<sup>7</sup> Shibley Telhami, Robert E. Hunter, Mark N. Katz, and Chas W. Freeman. "MAJOR WORLD POWERS AND THE MIDDLE EAST." *Middle East Policy* 16, no. 4 (Winter, 2009): 1-26. <https://search.proquest.com/docview/203699896?accountid=9867>.

<sup>8</sup> *Ibid.*

<sup>9</sup> *Ibid.*

<sup>10</sup> *Ibid.*

2007 US daily oil consumption was 9.7 million barrels.<sup>11</sup> Further, as noted by Sebastian Herbstreuth, “In 2012, President Obama claimed credit for taking the country’s import dependency below 50 per cent of total domestic petroleum consumption for the first time since the 1990s.”<sup>12</sup> Although one can herald this as an achievement on lessening the US oil imbalance, it also highlighted the degree of US dependency on access to nondomestic or foreign petroleum. According to the Oil Daily, in 2008 Canada exported “just over 2 million barrels per day of crude to the US in October, two years after it hit that level for the first time, data from the Energy Information Administration (EIA).”<sup>13</sup> However, although US oil consumption changes, the fact remains that US oil consumption has exceeded domestic production and thus the US needs to address the delta by either increasing domestic petroleum production, reducing consumption or increasing foreign oil imports.

Since the turn of the twentieth century, the US has been interested in Middle Eastern oil. This interest dates back to the 1920s when two US oil companies (Standard Oil of California and Texaco) won concessions for oil prospecting in Saudi Arabia.<sup>14</sup> US involvement on oil resources from the region created an environment in which the US has become a major power player in the region. As well, Shampa Biswas detailed that since the end of the First World War the US has emerged as a world power and to support that title, from a US perspective continued US

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<sup>11</sup> Javier Blas, in London. "Oil Climbs as US Consumption Hits 2007 High." *FT.Com* (Jul 12, 2007): 1. <https://search.proquest.com/docview/229096279?accountid=9867>.

<sup>12</sup> Sebastian Herbstreuth, “Constructing Dependency: The United States and the Problem of Foreign Oil”, *Millennium*, Vol 43, Issue 1, pp. 24 – 42, First Published September 17, 2014, <https://doi.org/10.1177/0305829814523327>

<sup>13</sup> "Data shows Canadian Crude Oil Exports to US Soar in October." *Oil Daily* (Dec 26, 2008). <https://search.proquest.com/docview/199182250?accountid=9867>.

<sup>14</sup> Wazir Jahan Karim (2011) Stratagems and Spoils in US Policy in the Middle East, *Globalizations*, 8:5, 601-607, DOI: 10.1080/14747731.2011.621312

influence has been needed both domestically and internationally to ensure continued access to petroleum.<sup>15</sup>

Modern US energy policy was created in reaction to oil supply problems created in the 1970s by those in the Middle East.”<sup>16</sup> Noel adds, “the United States has responded to the risk to oil shortages with two different policy measures, both decided at the end of the 1970s and implemented aggressively in the 1980s and 1990s.”<sup>17</sup> Although an attempt was made to stabilize US access to petroleum and how it was used domestically through US energy acts and policies, US foreign policies were focused on the short-term and primarily concentrated on benefits to the US. Contrarily, to promote sustainable long-term access to petroleum resources worldwide, the US should have created a holistic plan to integrate US state survival and stability with interstate cooperation that promotes mutual benefits to states with other countries thus creating long-term cooperation built on shared interests and goals.

With a view to long-term survival based on the continual demand on natural resources, namely oil, the US has created energy policies to meet the demands of the state both domestically and externally. To properly create and manage effective policies these need to be generated through official legislation. Energy policies are created as national strategy that include individual states’ interests and policies within the large US state legislative framework. Some individual states within the US produce oil and studies by Chandler in 2009 and Vasi in 2006 have shown that those states are likely to be less concerned about creating renewable energy

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<sup>15</sup> Shampa Biswas, "Stories of Hegemony: The Political Stakes of the Rise and Decline of US Power." *The Journal of Asian Studies* 75, no. 4 (11, 2016): 1031-1039. doi:<http://dx.doi.org/10.1017/S0021911816001613>. <https://search.proquest.com/docview/1860877109?accountid=9867>.

<sup>16</sup> Pierre Noël, "The New US Middle East Policy and Energy Security Challenges." *International Journal* 62, no. 1 (06, 2007): 43-54. <https://search.proquest.com/docview/220803776?accountid=9867>.

<sup>17</sup> *Ibid.*

policies.<sup>18</sup> This observation is further corroborated by the observation by Daley and Garand in 2005 and Vachon and Menz in 2006, each of whom claiming that states that are more affluent are more likely to create and enforce energy and environmental policies.<sup>19</sup> This internal state struggle with energy policy is also reflected at the US national level specifically with the passing of the US Energy Act in 1992.<sup>20</sup> Prior to 1992 individual states were permitted to create their own energy policies but in an attempt to harmonize states in a common national policy the “1992 Energy Policy Act” and standard 90.1 were created.<sup>21</sup> These were intended to create an effective national policy focusing on the primacy that “economics would be used to establish the [Standard] criteria.”<sup>22</sup> The question that will be looked at later is whether or not this attempt to nationally regulate an energy policy has helped to increase the short and long-term energy policies to the benefit of the US, its internal states and to the regions around the world impacted by the US Energy policy.

Dependence on natural resources by the US since the early 19<sup>th</sup> century has included reliance on wood, coal, natural gas, petroleum and others.<sup>23</sup> British Thermal Units (BTU) consumption of wood peaked in 1860 at about 3 quadrillion BTU, coal has ranged between 15 and 23 quadrillion BTU between 1925 and 2000, natural gas in 2000 was similar to coal at about

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<sup>18</sup> Jess Chandler. 2009. “Trendy Solutions: Why Do States Adopt Sustainable Energy Portfolio Standards?” *Energy Policy* 37:3274-81; Ion Bogdan Vasi. 2006. “Organizational Environments, Framing Processes, and the Diffusion of the Program to Address Global Climate Change among Local Governments in the United States.” *Sociological Forum* 21:439-66.

<sup>19</sup> Dorothy M. Daley and Garand James C. 2005. “Horizontal Diffusion, Vertical Diffusion, and Internal Pressure in State Environmental Policymaking, 1989–1998.” *American Politics Research* 33(5):615-44; Stephan Vachon, Fredric C. Menz. 2006. “The Role of Social, Political, and Economic Interests in Promoting State Green Electricity Policies.” *Energy Policy* 9(7):652-62.

<sup>20</sup> Ronald E. Jarnagin, "1992 Energy Policy Act and 90.1-1999." *ASHRAE Journal* 52, no. 3 (03, 2010): 41-42. <https://search.proquest.com/docview/518462203?accountid=9867>.

<sup>21</sup> *Ibid.*

<sup>22</sup> *Ibid.*, 41.

<sup>23</sup> US Energy Information Administration, “History of Energy Consumption in the United States, 1775 – 2009,” last updated 9 February 2011, <https://www.eia.gov/todayinenergy/detail.php?id=10>



23 quadrillion BTU, and petroleum in 2009 was about 40 quadrillion BTU.<sup>24</sup> The West, a large section of the globe that generally includes the US, Canada and Europe, encapsulates a population of 1 billion people or 14.6 percent of the world population.<sup>25</sup> In contrast, although the US is approximately five percent of the global population, it consumes approximately a quarter of the world petroleum.<sup>26</sup>

Since 1944 and the signing of the Anglo-American pact with the Middle East, oil was the main motivator for US interest in the region.<sup>27</sup> Consistent access to relatively cheap petroleum created a high degree of interest in the region by the US due to a desire to keep the petroleum available as the US was expanding its global influence. US reliance on oil has created energy policies to ensure the short and long-term survival and viability of its access to energy resources and thus has become of major importance to the survival of the state. The larger analysis focuses on balancing how states continue to operate and support transportation. The governance of the US has determined that oil supply is of paramount importance and everything and everyone outside of the US may be impacted in the quest for oil. As will be examined later in this paper, the US dependence on foreign oil has not always been mutually befitting to all countries, such as some in the Middle East.

US Middle East involvement was based on a desire to stabilize US interests in the region that would focus on the survival of US “economics, politics [and] security.”<sup>28</sup> Ultimately the involvement of the US in Israel in 1973 would create long term issues for the US. In October

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<sup>24</sup> *Ibid.*

<sup>25</sup> World of Meters, “Current World Population,” Dover, Delaware, USA, last accessed 25 March 2018, <http://www.worldometers.info/world-population>.

<sup>26</sup> World Watch Institute, “The State of Consumption Today,” last updated 26 March 2018, <http://www.worldwatch.org/node/810>.

<sup>27</sup> Daniel Yergin, *The Prize: The Epic Quest for Oil, Money and Power* (New York : Simon and Schuster, 1991), 402.

<sup>28</sup> Robert J. Pauly Jr, *The Ashgate Research Companion to US Foreign Policy*, (Burlington: Ashgate Publishing Limited, 2010), 242.

1973 a group of Arab states went to war against Israel due to the land seized by Israel in the 1967 during the Six Days War.<sup>29</sup> It was during Yom Kippur that the attack on Israel occurred.<sup>30</sup> The attack was repelled by Israel however this showed that there were possible risks for Israel in the future.<sup>31</sup> The US did not want to lose such an important ally and, on 13 October 1973, started shipping weapons and materials to Israel.<sup>32</sup> Although the provision of weapons and material support by the US enabled Israel's survival, the overall result from US involvement in the region came in the form of the oil embargo that severely impacted the US economy. This demonstrated the direct link between a short-term focus by the US having a causal long-term negative impact to both the Middle East region and the US economy.

The purpose for the 1977 Department of Energy Organization Act was to “provide for a mechanism through which a coordinated national energy policy can be formulated and implemented to deal with the short-, mid- and long-term energy problems of the nation.”<sup>33</sup> The US National Energy Act was written in 1978 in response to the issues facing the US in 1973. This was following the oil embargo against the US by OPEC from the Middle East.<sup>34</sup> The concern was that in 1977 oil imports were more than 50 percent of US oil consumption and the concern was that the “US energy situation had grown to crisis proportions.”<sup>35</sup> Further, the oil consumption delta was deeply concerning to the US thus the Ad Hoc Committee on Energy formed regarding the National Energy Act since “moving toward greater energy self-sufficiency

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<sup>29</sup> Kylie Baxter et al, *US Foreign Policy in the Middle East: The Roots of Anti-Americanism* (New York: Routledge Taylor and Francis Group, 2008), 56-57.

<sup>30</sup> *Ibid.*, 57.

<sup>31</sup> Efraim Karsh, *Soviet Policy towards Syria since 1970* (New York : Martin's Press, 1991), 89.

<sup>32</sup> Kylie Baxter et al, *US Foreign Policy in the Middle East: The Roots of Anti-Americanism* (New York: Routledge Taylor and Francis Group, 2008), 57.

<sup>33</sup> Gov Track US, “S. 826 (95th): Department of Energy Organization Act,” last accessed 6 April 2018, <https://www.govtrack.us/congress/bills/95/s826/text>

<sup>34</sup> Julia Richardson; Robert Nordhaus, "The National Energy Act of 1978," *Natural Resources & Environment* 10, no. 1 (Summer 1995): 62.

<sup>35</sup> *Ibid.*

was seen as essential to national security.”<sup>36</sup> This along with the 1977 Department of Energy Organization Act helped to shape a modern-day US Energy policy addressing the need for energy resources. However, the issue that would come back to cause future issues included a destabilized region following war that was exacerbated by US such as the Gulf Wars and the conflict in Lebanon.

Other acts also helped to shape US Energy Policies including those of 1992, 2005 and 2007. The 1992 policy was a landmark legislation because it embodied public policy decisions favoring competitive electricity-generation markets and access by all wholesale electricity customers to that competitive-generation market.<sup>37</sup> However, this act also created an unintended consequence due to the blurring of the lines between federal and state jurisdiction and “creating substantial risks” not the least of which being an uncertain future due to the changing space of legislative control.<sup>38</sup> This “unintended consequence” would become an indicator for future iterations of US Energy policies that would create long-term problems for the US both internally and abroad.

Without access to Middle East oil, the ability of the US to maintain its hold as a hegemon would be severely at risk, thus relationships must be built to include terms such as interdependence between the US and the Middle East.<sup>39</sup> Including the term “interdependence” counters the issues brought by simply providing or taking the oil from the Middle East without having input from that region. The interdependence must also be balanced with the reality that

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<sup>36</sup> *Ibid.*

<sup>37</sup> Linda G. Stuntz, "The Energy Policy Act of 1992: Changing the Electricity Industry," *Natural Resources & Environment* 10, no. 1 (Summer 1995): 69.

<sup>38</sup> *Ibid.*

<sup>39</sup> Sebastian Herbstreuth, “Constructing Dependency: The United States and the Problem of Foreign Oil” *Millennium*, Vol 43, Issue 1, p. 25, First Published September 17, 2014, <https://doi.org/10.1177/0305829814523327>.

“critical constructivism would suggest a fairly clear answer: the dependence/independence debates are discourses of danger that construct both a threat and a solution concerning the issue of foreign oil.”<sup>40</sup> This begs the question, what should the US do? The obvious answer might be to increase domestic oil production within the US to offset its own oil demands while attempting to lessen its dependency on foreign oil. But the larger question is, has this been viable in the past and will it work in the future?

The US dependency on petroleum is closely tied to the US ability to influence its power both domestically and abroad. The problem for the US is the ability to maintain the flow of petroleum. As indicated earlier in this paper, in early 2018 the average daily petroleum consumption by the US was approximately 20 million barrels but by contrast only produces approximately 9.5 million barrels a day.<sup>41</sup> The question is where would this supply of petroleum come from? If the risk to the US is the supply then the US needs to look at how to stabilize the “from where”. Currently the US is looking at expanding its own oil exploration in the borders of the US however it is coming up against what can simply be described as bureaucratic hamstringing. This comes in guise of the creation of the “US Bureau of Land Management (BLM) published proposed regulations governing "Oil and Gas; Well Stimulation, Including Hydraulic Fracturing, on Federal and Indian Lands."<sup>42</sup> Within the article there was an observation that:

complying with the rules is too complicated and costly. Producers can realize a much faster and much better return on their capital investment by

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<sup>40</sup> *Ibid.*, 26.

<sup>41</sup> US Energy Information Administration, “How much of the oil produced in the United States is consumed in the United States?”, last accessed 22 January 2018, <https://www.eia.gov/tools/faqs/faq.php?id=268&t=6>.

<sup>42</sup> *Another Layer of Bureaucracy for Oil and Gas Exploration in the US?*. Chatham: Newstex, 2012. <https://search.proquest.com/docview/1220901748?accountid=9867>.

developing oil and gas reserves on adjoining private lands. Federal and tribal lands hold large reserves of oil and natural gas. At a time when the United States desperately needs to move toward, not away from, energy independence, it makes no sense to let bureaucratic meddling effectively place these valuable domestic reserves out of reach.<sup>43</sup>

The concern for the US in the imposing of too many constraints on the development of lands internal to US, is that it creates issues regarding the long-term planning viability of the oil production within the US. This internal US divide further reflects the issues that the US has when it comes to international relationships. As experiences with the BLM have shown, relationships between levels of government are extremely complex and, if the intent of the organizations is not clear, then friction occurs and problems arise. This lesson needs to be applied to the problem of sourcing oil resources and balancing that with US energy policies to ensure the problems with the energy balance does not become a distorting and destabilizing factor that could negatively impact the US and others.

### **US ENERGY POLICY, LEBANON, 1991 GULF WAR AND FRICTION.**

The previous section looked at the evolution of US Energy Policies and how those impacted the US in a domestic sense. This section will concentrate on how the US projected its energy policies outside of the US and how this has created long lasting and complex issues for the US. Whereas the first section also concentrated on the interaction between the states of the

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<sup>43</sup> *Ibid.*

US regarding domestic energy policies, I will now examine how the relationships of the US in regions such as the Middle East have created negative consequences for the US when it comes to how it is perceived internally as a power state and its ability to influence other states as a hegemonic power. This will show the relationship between US power and international influence and how these have been eroded by the US failing to fully comprehend the long-term implications of its decisions that it has made both domestically and abroad.

The difficulties confronting US Foreign policies as they relate to US Energy policies and energy requirements has not been created in isolation. Rather the issues have been exacerbated by an international challenge for Middle East petroleum and the US did not react in a manner that would have created fewer issues for it in the future. Other countries such as China may have learned from the US how not to attempt to reshape the Middle East. The risks for overtly attempting to control another state “especially in light of the failure of the United States to achieve some of the overly ambitious “transformational” objectives trumpeted during the Bush administration.”<sup>44</sup> This “soft” influence by China compared to the US attempt to strictly control the Middle East by the use of “hard” power has garnered greater Chinese influence and trading power in the region. Specifically, China has been able to increase arms sales and this trade helps to “serve a wide array of Chinese foreign and even domestic policy purposes.”<sup>45</sup> Pham further explains that these purposes serve to improve “relations with particular countries, securing access to desired resources, strengthening allies, gaining commercial opportunities, and, not least of all, directly benefiting the People’s Liberation Army (PLA).”<sup>46</sup> The difference in approach to foreign policies including energy policies shows that states such as China are attempting to use

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<sup>44</sup> J. Pete Pham, "China's “Surge” in the Middle East and Its Implications for U.S. Interests." *American Foreign Policy Interests* 31, no. 3: 184. Political Science Complete, EBSCOhost (accessed April 7, 2018).

<sup>45</sup> *Ibid.*

<sup>46</sup> *Ibid.*

“soft” influence in the Middle East, which has resulted in increase trade and increased access to petroleum. Conversely, the use of “hard” power in the Middle East by the US as well as a continual need to modernize the region into a democracy leaning area has created “a resentment of US foreign policy” along with US foreign energy policies and interests.<sup>47</sup> The impact of an anti-US sentiment is an uncertain access to Middle East petroleum.

Since the 1940s the US has been accused of misusing power to achieve the short-term goal of oil acquisition while not achieving the required long-term end-state. This was demonstrated in the failure of the US to achieve influence in the region including Lebanon in 1982.<sup>48</sup> The long-term desire of the US to stabilize its access to energy resources through the use of foreign security and energy policies became an early focus of US efforts to stabilize regions with war-fighting capabilities. Joseph Nye has been a leading authority on different forms of power, mainly soft, hard and smart power. In 1990 he addressed the main concept of soft power and how it can more effectively change perceptions and norms over time.<sup>49</sup> The use of hard power was overused by the US in Lebanon due to the concerns that the US could lose its power over the region. The US needed to support Israel since it was the state that allowed the US to leverage its influence in the region. During the Lebanon War the West focused on exercising its foreign policy to protect against perceived threats to its access to Middle East petroleum that would impact US survival. Thus US energy policies focused on reliable and consistent access to the petroleum resources of the Middle East. When access to these resources was threatened, US foreign interests as relayed through its foreign policies would become very focused on the region. This was exemplified when the US focused on the use of military hard power in Lebanon

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<sup>47</sup> *Ibid.*, 188.

<sup>48</sup> Eric S. Edelman, and Mara E. Karlin. "FOOL ME TWICE: How the United States Lost Lebanon-again." *World Affairs* 174, no. 1 (May, 2011): 33-42. <https://search.proquest.com/docview/868262580?accountid=9867>.

<sup>49</sup> Joseph Nye, *The Powers to Lead*. (Oxford: Oxford University Press, 2008), 38, *eBook Collection (EBSCOhost)*, EBSCOhost (accessed 15 April, 2018).

and the use of the Marine Expeditionary Unit by President Ronald Regan in an attempt to stabilize the region.<sup>50</sup> The messaging however was confused when the US attempted to control Israel, which was a counter message to its interests in regional stability to the benefit of the US.

<sup>51</sup> This confusing messaging through the use of military power, leveraged by both US foreign and energy policies had a negative impact on the US through the “spill over effects on [its] security.”<sup>52</sup> Had the US decided to look at building long-term relationships with the Middle East to help benefit both regions, those decisions may have helped to create a long-term relationship that would have provided access to trade between the US and the Middle East and a constant stable source of Middle East petroleum. This concept was not new or unachievable.

On 2 August 1990 Iraq invaded Kuwait in retaliation for what it believed were actions conducted by Kuwait against the oil supplies in Iraq.<sup>53</sup> Other reasons identified by Iraq included the amount of debt owed by Iraq to Kuwait that from a state-level were felt to be unreasonable and unfair and supporting Western ideology.<sup>54</sup> The world reacted to the situation through the United Nations (UN) Security Council and called for Iraq to withdraw from Kuwait by 18 January 1991 under Resolution 678.<sup>55</sup> Ironically, as with the US concern for access to and control of energy, Iraq was motivated by the threat to its sovereignty and financial control by another state. Threats came through the debt owed to Kuwait who purportedly was also attacking Iraq by drawing oil under Iraqi borders underground into Kuwait. However, unlike the US, Saddam Hussein directly invaded Kuwait, which provoked world condemnation, including the

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<sup>50</sup> United States Department of State, “The Reagan Administration and Lebanon, 1981-1984,” Office of the Historian, Bureau of Public Affairs, last accessed 29 October 2017, <https://history.state.gov/milestones/1981-1988/lebanon>.

<sup>51</sup> *Ibid.*

<sup>52</sup> Chester A. Crocker et al, *Managing Conflict in a World Adrift* (Washington : United States Institute of Peace Press, 2015), 435.

<sup>53</sup> *Ibid.*

<sup>54</sup> *Ibid.*, 226-227.

<sup>55</sup> *Ibid.*, 92.



world's largest oil producer, Saudi Arabia.<sup>56</sup> The impact to the US and its access to petroleum was now in jeopardy and this seriously threatened the viability of the US Foreign policy that directly impacted its energy concerns identified through its energy policy. It was determined that US action was needed, along with its coalition partners including Saudi Arabia and other Middle East states and thus commenced Operation Desert Shield.<sup>57</sup>

The US missed the opportunity to influence the Middle East for the long-term that would have created lasting relationships with the region thus improving foreign relationships and improving access to petroleum in accordance with its energy policy. However the US focused solely on hard power by shoring up Saudi Arabia and attacking Iraqi forces in Kuwait with the view to reinforce US dominance in the region by securing petroleum to support its energy policy and needs.<sup>58</sup> In 2014 OPEC exported “3.9 million barrels [of oil] a day” toward North America with the majority heading to the US.<sup>59</sup> Further, Saudi Arabia in the same time period alone exported 1.5 million barrels a day to the US thus showing the strong dependence the US has on access to Middle East oil.<sup>60</sup> The 1990 Gulf War consisted of two phases: first, Operation Desert Shield which mainly focused on the protection of petroleum resources in Saudi Arabia; and second, Operation Desert Storm that was concerned on liberating Kuwait.<sup>61</sup> President Bush

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<sup>56</sup> *Ibid.*, 221.

<sup>57</sup> The Editors of Encyclopædia Britannica, “The Persian Gulf War: 1990-1991”, last updated 19 July 2017, 2, <https://www.britannica.com/event/Persian-Gulf-War>.

<sup>58</sup> Roger Hilsman, *George Bush vs. Saddam Hussein, Military Success! Political Failure* (Novato: Lyford Books, 1992), 220.

<sup>59</sup> *24/7 Wall St.: Saudi Arabia Exports 20% of the World's Oil*. Chatham: Newstex, 2015. <https://search.proquest.com/docview/1647903000?accountid=9867>.

<sup>60</sup> *Ibid.*; Investopedia, “The Biggest Oil Producers in the Middle East,” last accessed 4 November 2017, <http://www.investopedia.com/articles/investing/101515/biggest-oil-producers-middle-east.asp>.

<sup>61</sup> *Kylie Baxter et al, US Foreign Policy in the Middle East: The Roots of Anti-Americanism* (New York: Routledge Taylor and Francis Group, 2008), 128.

argued for the use of hard power during Operation Desert Storm since it would liberate Kuwait from Iraq.<sup>62</sup>

The use of hard power by the US in the Middle East is an interesting comparison to the use of hard power by Iraq in the same region. Both focused on their own goals of state survival and claims to petroleum and energy, and both used hard power to reinforce their positions. Iraq claimed that Kuwait was stealing oil from Iraqi oilfields as well claiming that Kuwait was over producing oil to lower oil prices.<sup>63</sup> Using this as justification to act, Iraq invaded Kuwait to stop the attack on the Iraqi economy.<sup>64</sup> Similar to the problems the US has faced in the region if Iraq had used other forms of power in the region then Iraq may have been able to rise from economic turbulence it was experiencing in 1990. Iraq could have been able to retain power in the future as a stable state, albeit a non-democratic state.<sup>65</sup>

Although President Bush supported the use of hard power in the region to shore up access to Middle East oil, the decision to attack Iraq also resulted in the Iraqi use of a scorched earth policy when Iraqi forces set over 700 Kuwaiti oil wells ablaze.<sup>66</sup> The question to be asked is if this would have occurred even without the involvement of the US, and the use of hard power backed by US Foreign policy focusing on its energy policy to assure US state power and survival. However the answer is not that simple. Iraq would have needed to take its concerns on economic warfare to a higher authority, the purported actions of Kuwait stymied and the US would have needed to concerns on access to Middle East petroleum addressed Any change to

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<sup>62</sup> *Ibid.*, 129.

<sup>63</sup> Roger Hilsman, *George Bush vs. Saddam Hussein, Military Success! Political Failure* (Novato: Lyford Books, 1992), 226.

<sup>64</sup> *Ibid.*

<sup>65</sup> *Ibid.*, 227-228; Sergi Guriev and Daniel Treisman, "How Modern Dictators Survive: An Informational Theory of the New Authoritarianism," *Political Science and Political Economy Group*, July 2015, 6, <http://www.lse.ac.uk/government/research/resgroups/PSPE/pdf/2015/Guriev.pdf>.

<sup>66</sup> Roger Hilsman, *George Bush vs. Saddam Hussein, Military Success! Political Failure* (Novato: Lyford Books, 1992), 100.

one of these could ultimately have created the same end state. The lack of long-term focus, exacerbated by a US Energy policy, added to the destabilized Middle East region even following the ceasefire agreement on 28 February 1991.<sup>67</sup> The consequence was an overly-focused US foreign policy resulting in negative short to mid-term impacts involving the people of the region. Whether by design or happenstance, the Kurdish people of the region were negatively impacted by the decisions of the US to not continue moving into Iraq to dismantle the Iraqi regime. The Kurdish people, who are nomads of the region, prior to the end of the war, believed that the US would liberate them. However the US did not see this as a matter of foreign policy at the time to seize Iraq since it did not impact access to petroleum and thus not negatively impacting US energy policies.<sup>68</sup> The result was that Iraq was left unhindered to attack and destroy the Kurdish people in the North.<sup>69</sup>

The resulting negative impact to the reputation of the US was due to the perceived indifference by the US to the region and to its people. The US once again reinforced the stereotype that the US allowed its foreign and energy policies to be solely focused on US needs vice finding a more holistic solution to the world's energy problem. This resulted in destabilized access to petroleum and became a distorting and destabilizing factor within the US and abroad.

## CONCLUSION

The US places tremendous importance on the supply of natural resources to supply its energy needs. Over time, US energy policies have been shaped to continue applying pressure on the international community to ensure that the supply of energy remains constant and readily

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<sup>67</sup> *Ibid.*, 129.

<sup>68</sup> *Ibid.*, 134.

<sup>69</sup> *Ibid.*

available. Since the 1970s the US has created mechanisms including creating acts and enacting laws to address supply and control of energy. These attempts were highlighted by the energy acts of 1977 and 1978 as well as the acts introduced in 1992, 2005 and 2008 when controls were presented to increase the long-term survival of the US through continually access and consumption of petroleum. However, those agreements created long-term issues domestically for the US as demonstrated by the problems created by the BLM and how expanding US oil exploration and production has been hampered by self-imposed overregulation. The short-term desire to regulate the exploration industry has created longer term problems for the US.

Internationally, the US, through its desire for control of petroleum, has applied a similar short-term focused approach to seeking international access to petroleum. It has created short-term foreign policies bolstered by energy policies that have solely focused on the primacy of the US, instead of finding broader scope solutions that focus on creating long-term solutions to global energy concerns. When there is a threat to the supply of oil, US foreign concerns have focused on the use of hard power. The long-term failure of the sole use of US hard power was demonstrated in the US involvement in Lebanon and both Gulf Wars. As shown throughout this paper the long-term relationships between the US and the countries of the Middle East primarily Iraq, Lebanon and Iran have been severely hindered by the failing of a properly scoped approach to energy management for the US. Worse even, since the 1970s the US approach to energy acquisition and conservation through a short-sighted energy policy has been an extremely distorting and destabilizing factor for all involved countries. This has included the Middle East when dealing with the US, and ironically the US has also been negatively impacted by its own approach to dealing both internally and externally. The larger question, which although outside of the scope of this paper could be used for future research, is to propose how to balance access

to petroleum resources for all states and how to use those finite petroleum resources in a manner that positively impacts the international community.

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