

The Ramifications of 9/11 For U.S. Energy Policy

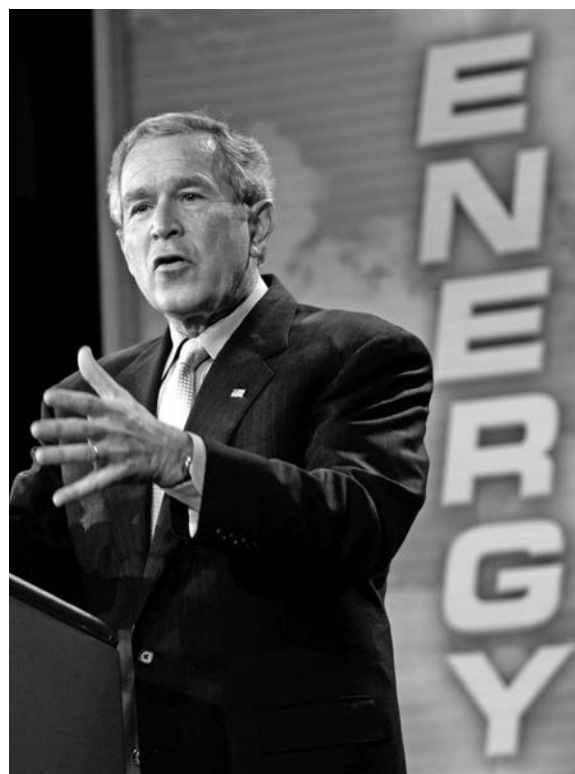
Rosío Vargas*

September 11, 2001, marked the beginning of the deployment of the U.S. imperial agenda, with the launch of the “Project for the New American Century” (PNAC).¹ First conceived in 1997, this project constitutes the vision of dominance laid out by the so-called Neo-Conservatives (“Neocons”), government representatives including Dick Cheney, Donald Rumsfeld, Paul Wolfowitz, Jeb Bush, Zalmay Khalizad, Elliot Abrams, and Dan Quayle, all of whom enjoyed influential positions during the George W. Bush administration. Also part of this group are the Texas oilmen and the major transnational oil companies, involved in drawing up their country’s global strategy.

Considering the importance of oil for this position of dominance and the leading role of the Middle East as supplier of crude for the United States and its allies, this region and Iraq in particular became important factors for guaranteeing its success. Hence, it is not difficult to establish a connection between the PNAC and the invasion of Iraq in March 2003. In fact, from the outset, the project began to exert pressure on the White House to take military action against Iraq. Parallel to this, in terms of U.S. foreign policy, we can observe the deployment and entrenchment of the country’s military forces around the globe, the establishment of the Homeland Security guidelines, and “maximum production” policy with regard to oil-producing countries, together with pressure to open their oil industries to foreign capital.

IRAQ, PART OF THE GRAND STRATEGY

One day after the terrorist attacks in New York, the National Security Council met to discuss whether to attack Iraq or Afghanistan. Members of the Republican administration



Jason Reed/REUTERS

Part of Bush’s energy strategy after 9/11 was the invasion of Iraq.

have revealed, however, that these plans were not new, but that the invasion was a long-term project.

At the thrice-yearly Defense Department review held on September 30, 2001,² Donald Rumsfeld brought up access to key markets and to strategic resources, establishing a link between the intention to reinforce U.S. capabilities and the “projection of power” toward distant regions. Another report entitled “Strategic Energy Policy Challenges for the 21st Century”³ was drawn up highlighting the problem of reducing the operating margins of the leading oil-producing countries to increase their production levels and cover world demand. The recommendations included a comprehensive set of policies covering energy, technology, and finance, taking into account geopolitical trends and security imperatives. A review of Iraqi policy was also recommended to ensure its oil con-

* Researcher at CISAN.

The real reason for the invasion of Iraq
was oil and the great business opportunity
the Iraqi oil industry represented for
international private capital.

tinued to reach world markets. Dick Cheney put together a working group charged with drawing up a report entitled “Reliable, Affordable, and Environmentally Sound Energy for America’s Future,”⁴ which proposed replacing conservationist policies on energy use with a policy of maximum extraction in order to increase the supply within the United States and abroad. This was accompanied by the proposal to open up of new areas for oil exploration and production throughout the world including, of course, in the Middle East.

One of the last documents to propose such an objective was “The United States National Security Strategy” from September 2002, which established that the nation’s overarching aim was to avoid the emergence of a regional power that would represent a challenge to its hegemony, attributing itself with the prerogative of using any means to avoid this, including military force if necessary. The regional power alluded to was Iraq. Rumsfeld had given the Pentagon orders to prepare maps of the Iraqi oil fields, together with a list of possible companies that could take charge of production.

Arguing that the Iraqi Ba’ath party had links to al-Qaeda and that the Saddam Hussein regime possessed weapons of mass destruction,⁵ on March 21, 2003, U.S. and British troops invaded Iraq. Given this country’s vast oil reserves, the real reason for the invasion of Iraq was very different from those put forward by international bodies and the Republican administration.⁶ It was actually because of oil and the great business opportunity the Iraqi oil industry represented for international private capital.

Iraqi oil reserves, standing at somewhere around 115 billion barrels, are the second-largest in the Middle East after Saudi Arabia, but unlike the latter, are under-exploited, with reserves that are far from geological maturity, making them a highly profitable prospect. Another factor that appears to have been behind the invasion is that in 2000 Iraq began to price its oil exports in euros rather than dollars. A third factor involves the intention to replace a regime seen as hostile by the United States. Iraq had signed oil exploration and production contracts with a range of countries, but not with the

U.S. or Great Britain, given their embargo of the Saddam Hussein regime. Therefore, these countries saw the need to install a regime favorable to their interests in order to recover the lead in oil contracts,⁷ something achieved a few years later with the Hydrocarbon Law drawn up by the occupying power.

THE STRATEGY

The United States sets itself up as the custodian of world oil reserves, on the premise that its fundamental task is to guarantee the flow of oil for itself and its allies.⁸ Where do the origins of this premise lie?

As oil wells dry up, worldwide demand is increasing—it is estimated that by 2020 demand will stand at 110 million barrels per day—and U.S. dependency on imported oil is rising—it may reach 70 percent of its total consumption by 2020. This leads to the proliferation of increasingly severe conflicts. At a structural level, three factors explain the strategic character of oil reserves: the geographical distribution of proven reserves, which do not favor developed countries; the impossibility of finding a suitable substitute; and the dependency of diverse sectors of the economy on oil, including the military apparatus itself, whose consumption stands at some 340 000 barrels, or 53 million liters, per day.

In this context the invasion of Iraq makes sense. The United States takes the steps it considers necessary to take part in future conflicts associated with the shortage of conventional oil reserves. The most significant forerunner to this kind of strategic planning is found in the Carter Doctrine (1980), which also sought to guarantee access to Persian Gulf oil reserves. Carter defined the Middle East as a region of vital interest that he would be prepared to defend with military force if need be. Control of the Middle East is in itself an argument for military intervention, even more so when its strategic importance is increasingly closely linked to the preservation of U.S. hegemony.

Other oil-rich regions of the globe that are part of this strategic vision are Russia; the Arctic; the north of the Gulf of Mexico; the province of Kosovo, through which the pipelines carrying hydrocarbons to Europe from Central Asia pass; and the Caucasus, in particular the Republic of Azerbaijan, the Caspian Sea, and Central Asia. U.S. attention is also focused on eastern China, in particular the southern Yellow Sea. Although reserves are also to be found in other latitudes, the axis of competition for resources is drawn across

central-southern Eurasia, and, as such, the reasoning behind the invasion of Iraq also took into account the possibility of redrawing the geopolitical map of Eurasia to guarantee U.S. power and dominion over the region *vis-à-vis* its potential competitors.⁹

Competition with China and Russia over certain geographical areas increases this rivalry. With the former, competition for reserves threatens to reach conflict levels due to Taiwan, considered the factor that could trigger war with China. Russia concerns the United States because of its monopoly over natural gas supply to Europe, which it is challenging by building an alternative supply infrastructure that will eventually surpass it. The Russians and Chinese form a united front against U.S. power thanks to the Shanghai Cooperation Accords, which seek to minimize the latter's influence in the region. The two countries have made it clear to the U.S. that they will not stand for any kind of interference in Central Asia.

HOMELAND SECURITY

As we know, Homeland Security policies were drawn up to protect critical infrastructure in the U.S. and worldwide from future terrorist attacks and reduce vulnerability and improve the capacity for recovery in the event of an attack. They were put in place after 9/11,¹⁰ by generating solutions from a holistic perspective.¹¹ Insofar as energy is concerned, these policies cover the oil, natural gas, and electricity infrastructure, since the importance of supply sources is derived from dependence—currently around 66 percent—on imported crude.¹²

This policy is justified by alleged declarations made by Osama Bin Laden claiming he would attack critical U.S. infrastructure, of which energy is a fundamental part. Another factor reflected in the adoption of these policies is the increasing distance between oil production and consumption centers, which increases the importance of the connecting infrastructure. Also taken into account is the possibility of “terrorist” attacks and uprisings in Latin America that could interfere with supply.

Developed nations' increasing dependence on oil imports makes the international situation itself a central part of their energy security. According to U.S. projections, after 2010 most of the oil supply will be provided by a handful of countries, only increasing concern for ensuring they are under control.

**The United States takes the steps
it considers necessary to take part
in future conflicts associated with the shortage
of conventional oil reserves.**

Linked to Homeland Security policy is the fact that the United States views itself as the guardian of the world's oil reserves. The Pentagon considers war over resources central to its strategic planning and underpins this with the so-called war on terrorism, deploying its forces across NATO's North, South, African, and Central Commands,¹³ the Fourth Fleet, the new Defense Department fleet, and escalated military support to other countries, all as part of its strategy for energy control.

POLICY OF MAXIMUM EXTRACTION

Far from viewing energy conservation as a virtue, the George W. Bush administration opted for a maximum production policy at home and abroad. This policy of maximum supply has sought to gain supremacy by searching out new areas with oil-producing potential to guarantee future supply. After September 11, President Bush consolidated this diversification project across Central Asia and the Caspian Sea, where oil reserves are estimated at between 17.5 billion and 34 billion barrels. The development of the oil fields was accompanied by supply infrastructure such as the Baku oil pipeline project to Ceyhan in Turkey. Africa also forms part of this strategy, with oil reserves that are estimated to reach production levels of 8.3 million barrels per day by 2020.

Likewise, this strategic vision includes integration agreements such as the one establishing the energy market in North America, and the Hemispheric Energy Initiative, which covers the rest of the Americas. These proposals seek to open up space for private investors through “liberalization” and openness to energy industries. Another of the stated objectives of the new energy governance, operating on the basis of energy integration projects, is the dismantling of state oil companies. To do this, it encourages involving foreign investment in local oil industries with the aim of increasing energy supply, above all from reliable suppliers, something that will allow the United States to increase its imports without running the risk of dependency, as foreign sources provide the

means to prevent its own wells from drying up.¹⁴ Thus, the maximum extraction policy has served and continues to serve U.S. security aims, and its energy security aims in particular. ■■

NOTES

¹ <http://www.newamericancentury.org.iraqclintonletter.html>.

² See <http://www.defenselink.mil/pubs/qdr>.

³ Edward W. Morse and Amy Myers Jaffe, "Strategic Energy Policy Challenges for the 21st Century. Report of an Independent Task Force," James A. Baker III Institute for Public Policy of Rice University and the Council on Foreign Relations, September 2001, http://www.rice.edu/energy/publications/docs/TaskForceReport_StrategicEnergyPolicyUpdate.pdf.

⁴ The White House, "Reliable, Affordable and Environmentally Sound Energy for America's Future. Report of the National Energy Policy Development Group," Washington, D. C., May 2001.

⁵ Only later did the argument emerge that the intention was to establish democracy in Iraq.

⁶ See, for example, James Bamford, *A Pretext for War* (New York: Doubleday, 2004).

⁷ The invasion turned out to be a business opportunity for all kinds of contractors. Once the war had been won, the U.S. Defense Department only

granted licenses to major U.S. private companies to provide most services, such as restoring electricity supply, building schools and hospitals, and training Iraqi troops. Foreign companies were left out of this lucrative business. See Orr C. Robert, *Winning the Peace. An American Strategy for Post-Conflict Reconstruction* (Washington, D.C.: Center for Strategic and International Studies, 2001), p. 265.

⁸ Michael T. Klare, "The New Geography of Conflict," *Foreign Affairs* vol. 80, no. 3 (May-June 2001).

⁹ Michael T. Klare, "The New Geopolitics," *Monthly Review* vol. 55, no. 3 (July-August 2003), p. 4, <http://monthlyreview.org/2003/07/01/the-new-geopolitics>, accessed June 2, 2004.

¹⁰ The White House, "National Strategy for Homeland Security," Office of Homeland Security, July 2002.

¹¹ David Heyman and James Jay Carafano, "Homeland Security 3.0: Building National Enterprise to Keep America Safe, Free, and Prosperous" (Washington, D. C.: The Heritage Foundation and Center for Strategic and International Studies, September 18, 2008).

¹² "Homeland Security, National Infrastructure Protection Plan, Energy Sector, 2008," www.dhs.gov/nipp, accessed January 2009.

¹³ Since 2001, NATO has indicated that the United States and Europe are prepared to engage in heavy combat operations. See NATO's website for the interview with Tom Lantos, U.S. Chamber of Representatives, "A manutenção da paz mais além. Notícias da OTAN," Fall 2007, www.nato.int/docu/review/2007/issue4/portuguese/interview2.html.

¹⁴ Rosío Vargas, *La política energética estadounidense ¿Asunto de seguridad o de mercado?* (Mexico City: CISAN, 2005).