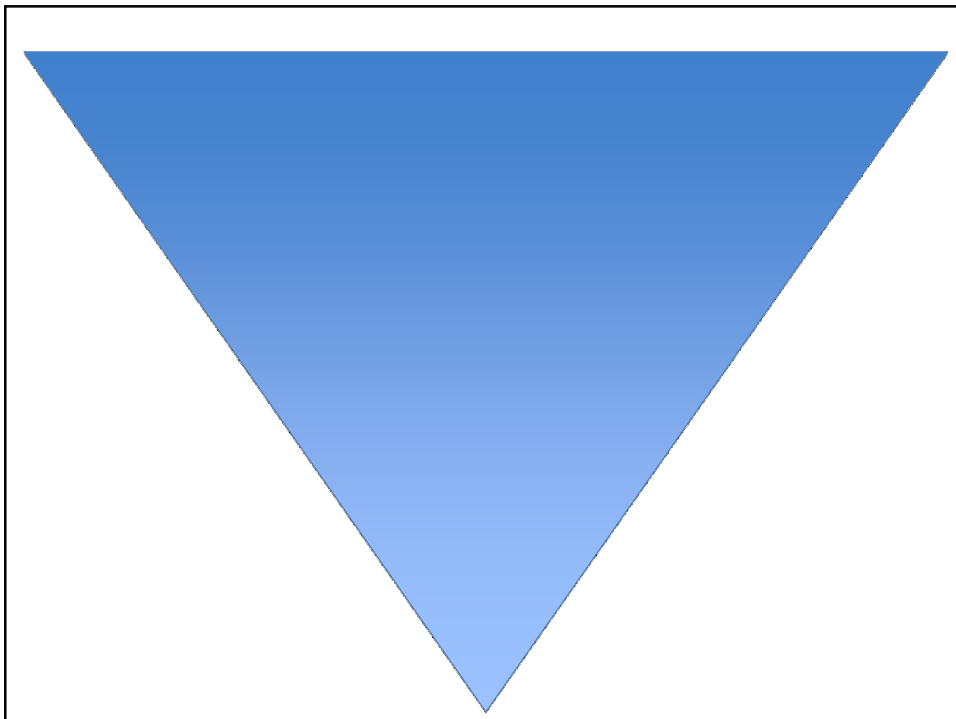


# Great Decisions 2017

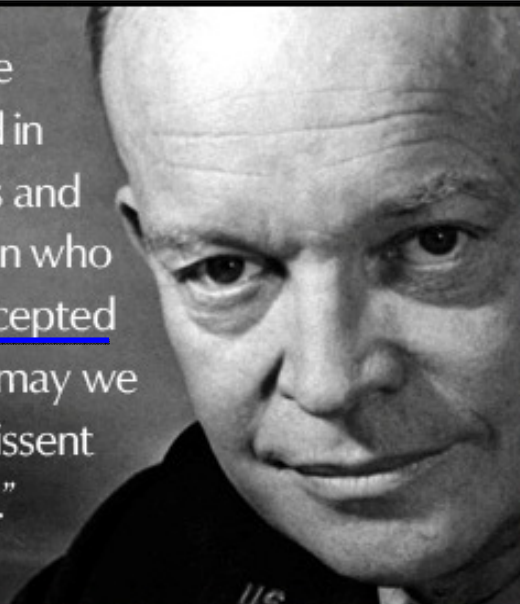
United States Army War College



Bryan T. Stinchfield  
Associate Professor of  
Organizational Studies



"Here in America we are descended in blood and in spirit from revolutionists and rebels - men and women who dare to dissent from accepted doctrine. As their heirs, may we never confuse honest dissent with disloyal subversion."



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*Dwight D. Eisenhower*

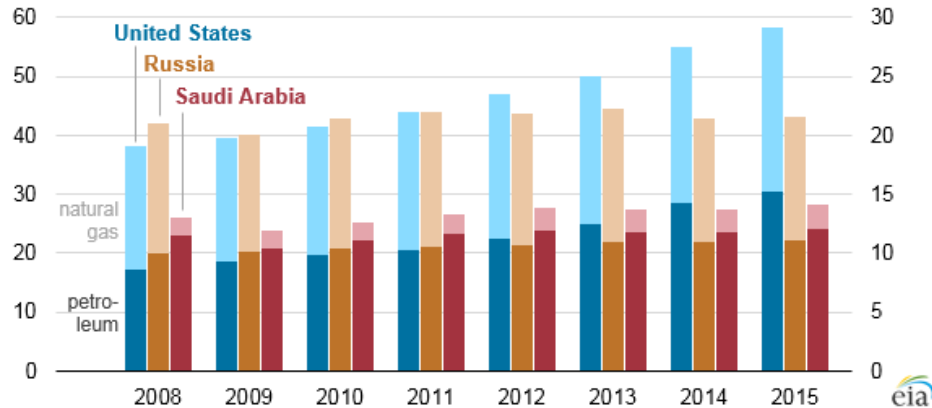
"Judge a man by his questions rather than his answers."

- Voltaire

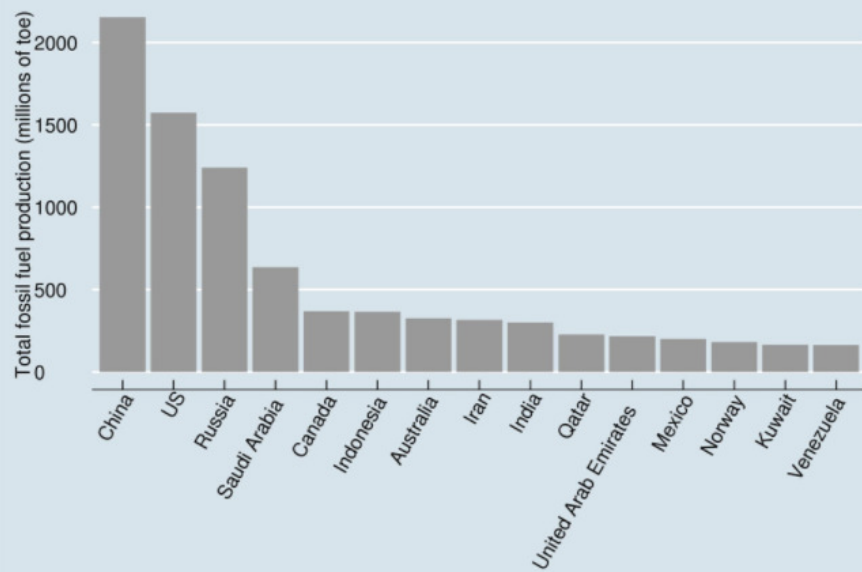


# The Big 3

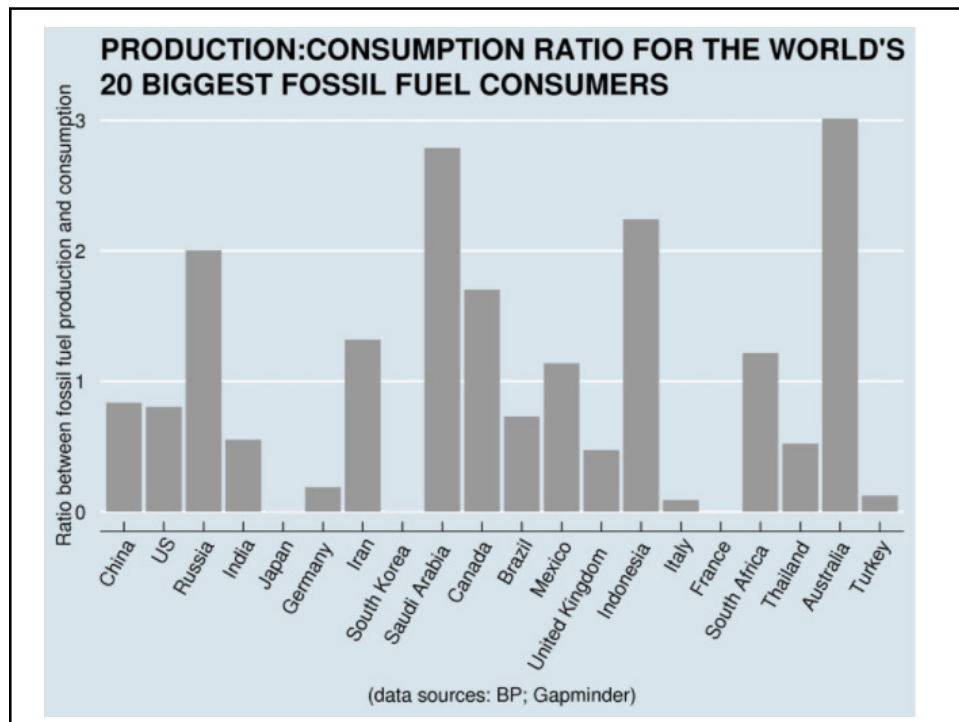
**Estimated petroleum and natural gas hydrocarbon production in selected countries**  
 quadrillion British thermal units      million barrels per day of oil equivalent



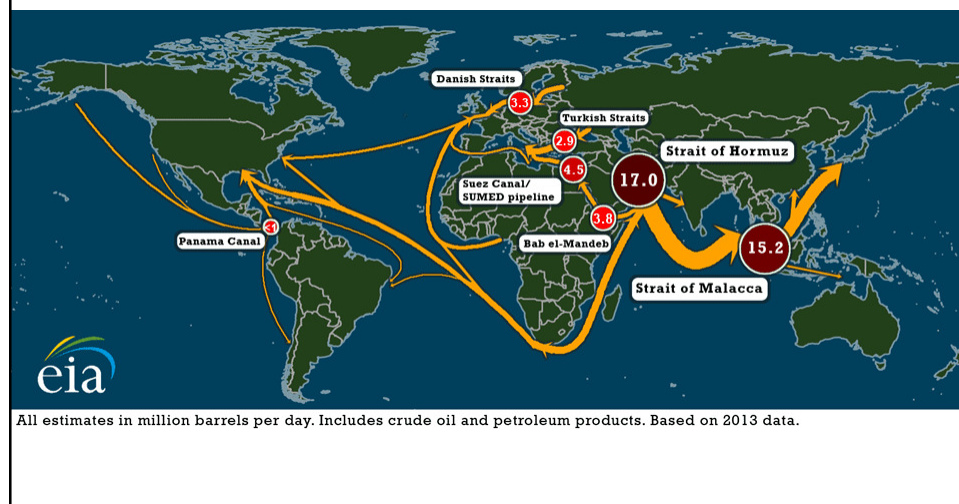
## THE WORLD'S BIGGEST FOSSIL FUEL PRODUCERS



(data sources: BP; Gapminder)



## 2 Straits – a lot of oil



## What are the questions?

*A. What is the effect of U.S. petroleum security on foreign policy?*

Or

*B. What is the effect of U.S. foreign policy on petroleum?*

*It depends on...*

*What we see, and what we see depends on what we believe.*

## Two Theories in Security Studies (what we believe and thus “see”)

### 1. Realism

- Human nature is flawed
- Humans and nations desire power
- World stage: competition, anarchy
- U.S. can't solve all of world's problems
- Containment



## Two Theories in Security Studies (what we believe and thus “see”)

### **2. Neo-liberalism**

- Human nature is complex, but...
- People have a moral compass
- Cooperation possible, based on trust
- Republics are the highest form of gov't
- Peace secured through spread of freedom, to include free trade



## “Security Dilemma”

### **Assumptions:**

1. People and states need to feel secure
2. People and states will take action to ensure security

### **Problem:**

Actions affect others

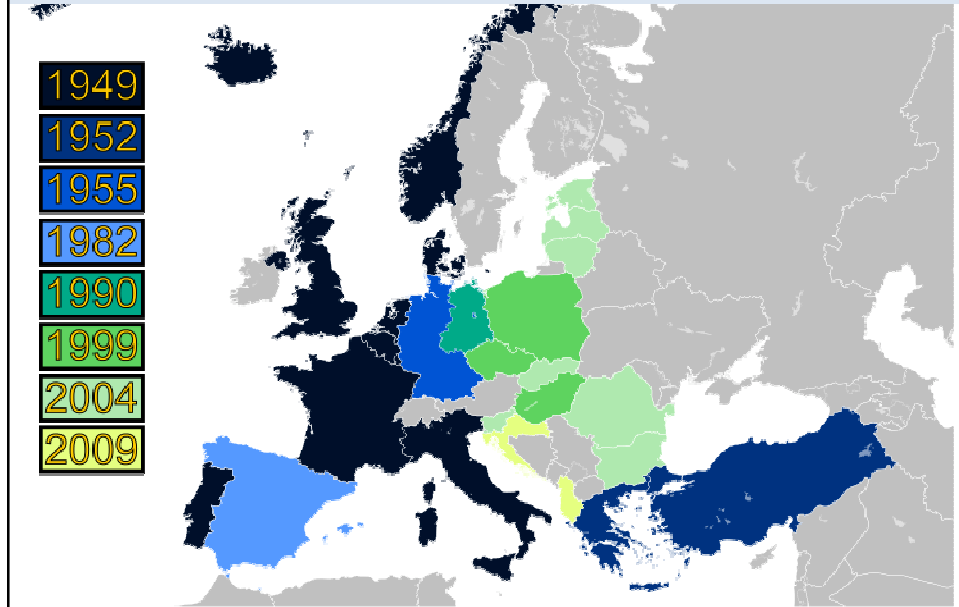
### **Dilemma:**

How do we interpret their actions?

What should be our response?

# What do we see?

(Security Dilemma #1)



## What Russians “see”



## Security Dilemmas #2 & #3

A. How do we interpret possible disruptions to oil supply? (*petroleum security*)

B. What should be our response? (*foreign policy*)

Disruption to Oil Security	Interpretation	U.S. Response (foreign policy)
1973 OPEC cuts prod. & imposes embargo	Arab states engaged in econ warfare w/US & Israel	Kissinger gets Israel to w/d from Sinai and GH
1990 Saddam invades Kuwait	Saddam wants to control M.E. oil	1991 US invades Iraq

## Different perspectives → Different answers

***Security Dilemma #4:*** What would a poor and destitute Saudi Arabia do to our security?

Realist	Neo-liberal
Our job isn't to bring freedom, econ dev, or even peace to Saudi Arabia.	Our job is to promote peace through trade, because this is how we secure <u>our</u> peace, (and because it's moral).
Our job is to do only what we can, which is limited.	Preserve relationships and trust.
Focus on American interests.	Certainly develop U.S. oil supplies, but keep trading with S.A.
Develop domestic oil supplies and build up our military (for our protection).	Assist S.A. developing other sectors of their economy.



## Summary of Dr. Chanis' article

***RQ: What is the relationship between U.S. foreign policy and petroleum security?***

1. Causality is complicated
2. Hard to recognize connections
3. U.S. energy insecurity reduced
4. Patterns emerge



## Dr. Chanis: 6 Phases in U.S. History

(since 1900)

1	2	3	4	5	6
1900	1945	1973 1981	2003 2012	present	

## Dr. Chanis: 6 Phases

1 2 3 4 5 6

1900 1945

Production  
dominance & pol.  
advantage:

Oil → FP



## Dr. Chanis: 6 Phases

1 2 3 4 5 6

1945 1973

Incr. agg FP, Supply decr.

Oil ↔ FP



## Dr. Chanis: 6 Phases

1 2 3 4 5 6

1973 1981



Crisis  
Highly dep  
OPEC  
\$ incr 10xs

FP → Oil



## Dr. Chanis: 6 Phases

1 2 3 4 5 6

1981 2003



Managing supply  
surplus  
Alaska, No. Sea  
Desert Storm

Oil ↔ FP



# Dr. Chanis: 6 Phases



2

3

4

5

6

2003 2012

Oil \$ incr  
Russia, Iran, Venez  
China demand (Afr)  
Oil ↔ FP



# Dr. Chanis: 6 Phases

1

2

3

4

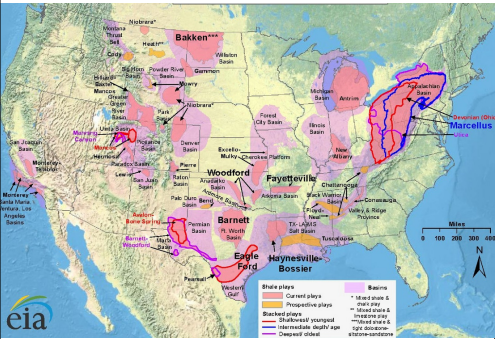
5

6

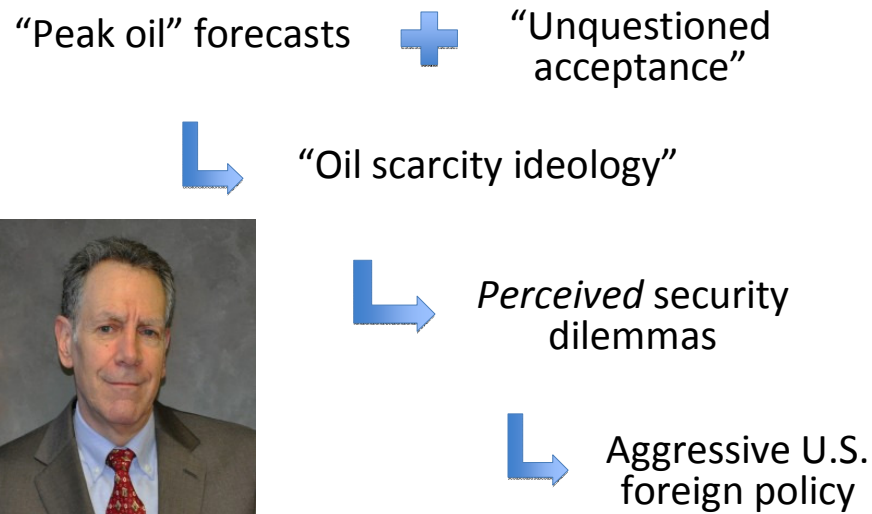
2012 present

New supply  
Shale rev.  
Less interv. in  
M.E.

Oil ↔ FP



## Dr. Stern: A Different Hypothesis

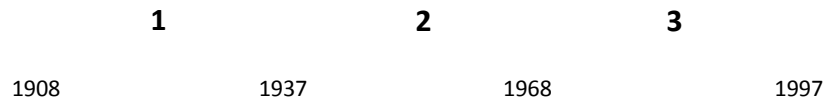


## Key arguments

- “Peak oil” always flawed
- Assumes no change in technology or new discoveries
- We will never “run out” of oil we will use less and use substitutes if it gets too expensive
- Our “enemies” still want cash: Iran, SH, Russia will still sell their oil to world markets
- We can always buy from the market, we don’t need to but directly from countries

## Dr. Sterns': 3 cycles in U.S. History

(since 1908)



## My conclusions

- Certainly a relationship between oil and foreign policy
- Foreign policy a result of a mish-mash
  - political
  - economic
  - military
  - technological
  - and **personal** forces (world views of powerful agents)

# President Trump's...

**World view:** Not sure, but some "Realism"

**Grand Strategy:**

- "Make America great again"
- "America first"

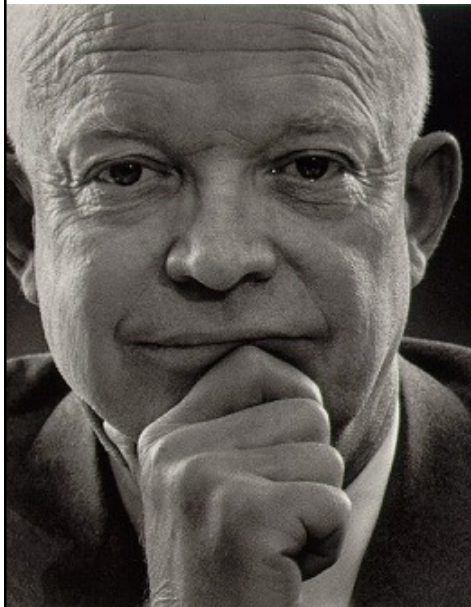
**Foreign policy:**

- Expand war on radical Islamic extremism
- Get out of multi-lateral trade deals
- Don't worry about historic alliances, relationships
- Support fossil fuel industries



Connection between energy independence and these?

**34<sup>th</sup> President of the United States, Supreme Allied Commander of Europe, and football coach**



*"If you want total security, go to prison. There you're fed, clothed, given medical care and so on. The only thing lacking... is freedom."*

*Dwight D. Eisenhower*