



Truman National Security Project

Energy

Point #1 Because of our over-reliance on oil, we are funding both sides of the war.

Point #2 “Drill Baby Drill” is like trying to bail out the Titanic with buckets. We just don’t have enough oil at home.

Point #3 Fossil fuels are an Achilles’ Heel that our enemies will deliberately use against us - energy alternatives are required to prevent that from happening.

Oil From Abroad. In the 1970s and 1980s, approximately 33% of America’s oil came from foreign sources. Today, that number has doubled to nearly 70%. America’s reliance on foreign energy sources poses several major threats to the national security interests of the United States.

Oil Regimes Hostile to the U.S. Large proportions of the world’s hydrocarbon resources are held by countries whose interests are either not aligned with or diametrically opposed to those of the United States. Even oil regimes that are not hostile, such as Saudi Arabia, have citizens that funnel oil money to terrorist organizations such as al Qaeda.

Oil prices have fallen considerably since 2008, but the global oil economy continues to produce tremendous cash flows for the ruling regimes of these countries.

Based on 2007 production estimates, a \$5 rise in the price of crude oil will give:

Russia - More than \$18 billion annually

Iran - An additional \$7.5 billion annually

Venezuela - An additional \$5 billion annually

Energy Threats to U.S. National Security

The High Price of the Status Quo. The cost of defending the current status quo is placing tremendous strain on the United States. The U.S. consumes 25% of the world’s oil production, but controls less than 3% of the supply. The U.S. must spend considerable time and money – and potentially blood – in propping up this system in order to ensure the flow of oil.

For example, the United States is responsible for patrolling the world’s sea lanes and ensuring safe passage for seaborne commerce, much of which is oil and petroleum products. The U.S. Navy budgeted \$28.1 billion for operations alone in Fiscal Year 2009 – a significant portion of this outlay is to make sure oil flows are not interrupted.

The war in oil-rich Iraq has already taken the lives of more than 4,300 American service men and women and cost nearly \$700 billion. Our need to secure oil supplies exposes us to intractable local conflicts, forcing us to take sides in fights that are otherwise incidental to our national interest. This undermines our rhetoric, and gives credence to enemies who accuse us of hypocrisy.

U.S DEPENDENCE ON OIL WEAKENS OUR FOREIGN POLICY OBJECTIVES AND ENTANGLES US WITH HOSTILE OR FAILED REGIMES.



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Energy Threats to U.S. National Security

Vulnerability to Terrorism

Al Qaeda has called upon its supporters to attack oil facilities and infrastructure throughout the Middle East. In the words of Osama Bin Laden:

“One of the main causes of our enemies’ gaining hegemony over our country is their stealing our oil; therefore, you should make every effort in your power to stop the greatest theft of history.”

His followers have listened. Before 9/11, less than 50 attacks on oil and natural gas installations took place per year. By 2005, that number jumped to 265; by 2006, it had reached 344.

One of the more prominent attacks took place in 2006, when al Qaeda operatives targeted the massive oil processing facility at Abqaiq in Saudi Arabia.

Although the attack failed, it caused a 3% jump in global oil prices and proved that the world’s oil infrastructure is an Achilles’ Heel through which terrorists can strike at American interests and security.

If a similar attack succeeds in the future, it could lead to greater speculation, cause a spike in world oil prices, and impose a significant strain on the American economy.

Military Dependence. The Department of Defense (DoD) is the largest energy consumer in the nation. When the price of oil increases by \$10 per barrel, the DoD is forced to spend another \$1.3 billion on fuel. 70% of the convoys in Iraq and Afghanistan are carrying fuel and water.

This puts our troops at risk and reduces combat effectiveness. Thus, better fuel efficiency would save a considerable number of lives and a great amount of money.

A Fragile Electrical Grid

In August 2003, 50 million people in the United States and Canada were left in the dark when a fallen tree in Ohio triggered a massive power failure.

Beyond accidents, we also have to worry about malevolent threats. U.S. officials have confirmed that Chinese and Russian cyber-spies have already hacked into the U.S. electric grid, leaving behind programs that could allow them to disrupt the system.



Military installations in the U.S. are almost completely dependent on commercial electrical power. Our industrial base and nearly every home in America rely on the same electric grid. As the resilience of the grid continues to decline, America’s vulnerability to intentional or unintentional power shortages increases.

Ensuring the reliability of America’s power – through the development of a distributed grid that will prevent widespread and cascading power outages, for example – is thus a major national security imperative.



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Oil: Causing Corruption and Killing Democracy

Oil kills democracy. There are twenty-three countries in the world whose oil and gas products constitute more than 60% of their total exports. None of them are democracies. With massive energy revenues, governments do not need taxes, so they have no need to create accountable democratic structures.

Corruption in oil and gas rich states gives a free hand to autocratic governments, creating situations where governments have neither the incentive nor the desire to answer to their subjects. Just as the addict has no power over the dealer, the deeper America's oil addiction becomes, the less freedom we have to encourage democratic reforms in such countries.



In Russia and Venezuela, the governments are able to use their oil wealth to promote a new and potentially aggressive nationalism. In Nigeria and Equatorial Guinea, officials spend their oil wealth on patronage and the suppression of political adversaries.

Given time and ample resources, these trends could lead to more assertive policies on the part of such oil regimes, which could in turn threaten American interests and encourage anti-Americanism around the globe.

It is important to note that oil-rich countries at odds with the United States will not seek to undermine American policy by “cutting off” our oil supply, but by funding or promoting activities that damage American interests.

Oil producers are unlikely to significantly curtail production, since any country that did so would damage its own finances much more than it would damage the U.S. (Indeed, the anti-American rhetoric emanating from Hugo Chavez has not prevented Venezuela from sending 60% of its oil exports to the United States.)

Even if a hostile oil regime were to refuse to export to the U.S., the fact that oil is a fungible commodity means that the “redirected” oil would free up supply elsewhere in the market that could be bought by U.S. buyers.

Equally threatening to American interests is the fact that many oil-rich states totter on the brink of instability. While some nations derive great power from oil wealth, others do not. Of the top ten holders of oil reserves in the world as of April 2008, all but one are considered to be failed states or in danger of becoming failed states.

The US military is often called upon to respond to cases of state failure, because weak and failed states provide breeding grounds for terrorists. Furthermore, state failure in a major oil-producing nation would produce shockwaves in oil prices that reverberate throughout the world economy. Neither contingency – safe havens for terrorists or drastic swings in the price of oil – bodes well for American security.



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Climate Change

Over the longer term, perpetuating the hydrocarbon energy complex threatens America's national security interests by accelerating global climate change. Rising sea levels, long-term droughts, and catastrophic crop failures threaten to push already precarious states into chaos, increase the likelihood of international pandemics, cause large-scale refugee flows and overwhelm the American military's ability to respond to natural disasters. For more on the national security threats associated with climate change, see the section of the National Security Manual entitled "Climate Change and National Security."

Diversifying Energy Sources: Energy Resilience

Andy Grove, former CEO of Intel, has spoken of "energy resilience," a condition in which a diversity of energy sources reduces the threat of a price shock or disruption in any one source. Contrary to visions of alternative energy programs freeing us from the tyranny of oil, we need to accept the fact that in the medium-term, full independence from foreign energy sources is not a practical goal. The international economy is simply too addicted to petroleum.

However, increasing the diversity of our energy sources is absolutely necessary if we are to ensure that a crippling attack on any one energy source can be overcome through our use of multiple sources. Unfortunately, our government is not meeting this challenge.

In real terms, U.S. government investment in energy research has declined from a high of about \$6 billion in the 1970s to about \$1.4 billion in 2008.

To reduce our vulnerability to price shocks and reduce the stream of cash flowing to hostile regimes, America needs leadership that will treat this problem with the seriousness it deserves. We need a major investment in basic research for new technologies that will move us away from fossil fuel to the next generation of energy (Greenberg, *Generation WE*).

What About Coal?

Coal is among the dirtiest forms of energy. It is also among the cheapest and most abundant. If the U.S. were the only nation looking to coal as an alternative to oil, it might not be a problem. However, developing nations such as China and India are also turning to coal.

- Coal is the source of 78% of China's electric power.
- Coal is the source of 69% of India's electric power.

Developing nations have a right to improve their economies and the lives of their citizens. But we must partner with nations like China and India to create alternatives to all fossil fuels in the long-run and move toward cleaner technology in the short-run. The planet cannot sustain a worldwide turn to coal. It is in everyone's best interest to find alternative solutions that will allow environmentally sustainable development.

Investing in Clean Energy

This investment should have the focus, high level leadership and gravity of purpose of the Apollo Project, which sent a man to the moon, or the Manhattan Project, which allowed the U.S. to develop a nuclear weapon before the Nazis did.

The Obama administration has taken important steps in that direction by including investments in green energy and energy efficiency in both the stimulus package and the president's budget proposal. Also, the House of Representatives passed the landmark "American Clean Energy and Security Act" in summer 2009.

But these actions are only the beginning steps of America's quest for energy resilience. The development of renewable energy constitutes an economic opportunity to make America the world leader in green technology, but it also represents a national security imperative that will affect US policymaking for years to come.



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Energy - Messaging Strategies

Research from Third Way report “Get America Running on Clean Energy”

Clean energy reduces our dependence on the foreign oil.

- Say “reduce dependence,” do not say “energy independence.”

Foreign oil ties our hands in foreign policy, funds terrorists, and entangles us with hostile regimes.

- Do NOT say “green energy” or refer to “government investment.”

The purpose of energy legislation is to promote clean energy incentives.

- Do NOT say “cap & trade.”

Getting energy that is CLEAN, DOMESTIC, CHEAP, and SAFE is going to take some real work.

- Use these four buzz words.

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