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The Securitization of Energy:
Post September 11 U.S. Energy
Security Policy

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ABSTRACT

The September 11 attacks unquestionably had a significant impact on the policies of the Bush administration, and a number of works have been published on the change in U.S. foreign policy post September 11. However while a large number of commentators have explained that America's foreign policy and domestic security environment were irrevocably changed that day, when the planes flew into their targets, there has been very little discussion generated over post September 11 *energy* policy and whether the change in U.S. foreign policy has been reflected in contemporary U.S. energy policy.

This lack of discussion over post September 11 energy policy is surprising as foreign policy and energy policy objectives are often pursued in concert with one another, therefore it is this lacuna that this thesis seeks to examine. In order to examine whether the change in U.S. foreign policy is reflected in U.S. energy policy this thesis will examine historical U.S. policy in order to establish America's pre September 11 approach to energy policy and will also discuss post September 11 energy policy to highlight any changes or lack thereof.

Through examination of pre and post September 11 U.S. energy policy it can be concluded that while the horror of the September 11 attacks forced a reassessment of America's domestic security environment as well as spawning the creation of

the Bush Doctrine which was a significant development in the field of foreign policy there was very little change in U.S. energy policy post September 11.

CHAPTER ONE

INTRODUCTION

A number of commentators have argued that the attacks of September 11 allowed President Bush to adopt a bolder and more muscular foreign policy.¹ Yet such claims are subject to significant levels of debate with other suggesting that there is much continuity between pre and post September 11 foreign policy. This thesis seeks to analyse one facet of U.S. foreign policy by examining whether there has been any major shift in U.S. energy security policy in the Post September 11 environment.

Significance of the research

This research is significant because of the following reasons. It seeks to fill a lacuna in the literature as to whether or not there has been a major shift in U.S. energy security policy as opposed to broader foreign policy shifts. It therefore also contributes to broader debate about the impact or lack thereof of the September 11 attacks on U.S. policy. This research is also important because it examines America's foreign policy approach to the Persian Gulf and contrasts the historical approach with America's contemporary foreign and energy policy. This comparison will allow us to conclude whether the tragedy of the September 11 terrorist attacks significantly altered American energy policy or if the attacks

¹ Chalmers Johnson, *The Sorrows of Empire: Militarism, Secrecy and the end of the Republic*, New York: Henry Holt and Company, 2004, p. 285; Paul Roberts, *The End of Oil: The Decline of the Petroleum Economy and the Rise of a New Energy Order*, Great Britain: Bloomsbury Publishing, 2004, p. 112.

allowed the U.S. to continue advancing a pre-determined energy policy thus adding to the broader debate. Lastly, and more specifically, this research also examines the idea that energy sources are being increasingly labelled as security issues so as to ensure they become a priority of national security policies.

Finally this research is also important because it examines the notion that the traditional concept of “security” is changing to reflect contemporary permutations in the international system. In 1989, Jessica Mathews claimed that environmental strains that transcend national borders have damaged the concept of state sovereignty and that the dividing line between domestic and foreign policy has become indistinguishable. She argued that these twin problems demanded a redefinition of what constituted national security.² This thesis will therefore assess the arguments presented by a number of authors that the traditional concept of “security” needs to be re-examined in order for the theory to be applicable to the post September 11 international security environment. In order to carry out these tasks this thesis draws from a wide range of theoretical and empirical literature.

The analytical framework

This thesis is informed by qualitative and quantitative research methods in order to overcome the arguments associated with reliance on any one particular research

² Jessica, T, Mathews, ‘Redefining Security’, *Foreign Affairs*, volume 68: issue 2, Spring 1989.

method.³ This research uses a range of literature on American energy policy and on changing notions of security to examine the premise of whether there has been a major shift in U.S. energy policy post September 11. In addition to this secondary commentary on the topic of oil and energy policy, this thesis also makes use of official U.S. Department of Energy statistics in order to provide an account of America's oil production and consumption habits. This thesis also draws on statements made by U.S. officials and articles in prominent newspapers to ensure that this thesis is as contemporary as possible. Lastly this thesis draws on theoretical literature with regards to the conceptualisation of security. The final part of this introduction will provide a summary and outline of the central arguments contained in each chapter.

The organisation of the thesis chapters separates historical U.S. energy policy from post September 11 energy policy and also separates out the discussion on the theory of security. This separation clearly creates a certain degree of artificiality. However, separating these various facets of U.S. energy policy not only provides a systematic and accessible approach to the copious amounts of material, but also allows for a more detailed, region specific analysis of U.S. energy policy than would be the case if an empirical study was being conducted. The argument will proceed as outlined in the following chapter summaries.

³ Qualitative research methods have been widely critiqued as being impressionistic, unreliable and inaccurate as the research is neither replicable nor comparable. Qualitative methods have also been criticised as conclusions reached through interpretation of the research are difficult to evaluate. Alternatively critics of quantitative research methods invariably argue that quantitative methods fail to establish meaning; the methods may be able to establish what took place and when it happened but will be unable to identify the rationale behind events. For more information see Alan, Bryman, *Quantity and Quality in Social Research*. Unwin Hyman. London. 1988; W, L, Miller, 'Quantitative Methods' *Theory and Methods in Political Science*. David, Marsh, Gerry Stoker, (eds.) London: Macmillan Press, 1995.

Chapter Two examines the concept of security and assesses whether changes in the international system merit a redefinition of what constitutes the notion of security. It will question whether the concept of security has been consistently enlarged to as to include the notion of energy security so as to grant privileged status to energy issues.

Chapter Three explores America's historic energy policy dating back to World War II. It begins with an examination of America's oil output during the Second World War and President Roosevelt's remarkable meeting with King Ibn Saud on the 14th February 1945, as well as discussing the security relationship that developed between the U.S. and Saudi Arabia as a result of that meeting. It then analyses how the Truman, Eisenhower and Nixon doctrines shaped historic U.S. energy policy and what impact these doctrines are having on contemporary energy policy. This chapter will also highlight the oil crises of the 1970s with particular emphasis placed on the Arab oil embargo against the U.S. in October 1973 as an example of a disruption in America's oil supply network and the impact the embargo had on U.S. energy policy.

Chapter Four begins with an examination of President Carter's relationship with the Persian Gulf regimes and the impact the announcement of the Carter Doctrine had on the region, before going on to discuss President Reagan's involvement with the oil kingdoms of the Persian Gulf. It then proceeds to discuss the 1990-

1991 Gulf War, then outlines America's current energy consumption problems and finally introduces the National Energy Policy released by the Bush administration.

Chapter Five contains the case studies of this thesis – it continues the discussion begun in Chapter Four surrounding the problems generated by America's energy consumption habits and outlines possible future energy scenarios projected by the Department of Energy. Chapter Five then proceeds to analyse American policy towards Iraq, Saudi Arabia and Iran respectively, before concluding with an overview of America's military alliances and relationships with the smaller regimes of the Persian Gulf.

Chapter Six will examine the implications for the U.S. and the international system if America successfully advances into a post petroleum economy. It will examine how security issues may change from protecting external sources of oil supply to protecting internal sources of energy supply such as nuclear power plants or wind farms. It will also assess the impact a transition from an oil based economy to a post petroleum economy would have on major suppliers of oil and how a U.S. advance into a post petroleum economy may begin an international transition from oil based products to other sources of energy and the impact this could have on foreign and domestic affairs around the globe.

Chapter Seven, the analysis, focuses on discussing the relationship between the case studies conducted in Chapter Five and the research question. Chapter Seven then proceeds to discuss the correlation between the observations made in the case studies and the theory of security as outlined in Chapter Two before concluding with an examination of where the findings of this thesis reflect the prevalent literature on this topic.

Chapter Eight, the conclusion, restates the major themes of the thesis, and briefly considers how these themes may find broader application for states seeking to define their energy policy in relation to U.S. policy. It argues that September 11 was not a watershed in U.S. foreign policy, as the U.S. had been actively involved in the Persian Gulf before the attacks and that the attacks did not lead to a substantial change in U.S. *energy* policy. Rather this chapter argues that the attacks allowed a continuation of an energy policy that was already highly dependent on military activity and military influence in the volatile Persian Gulf.

CHAPTER TWO

ENERGY AND SECURITY

This chapter examines the nature of the concept of security. In doing so it investigates the increasing importance of energy security in international affairs. This chapter therefore identifies the key concepts that are central to debates vis-à-vis the nature of security and argues that, despite the many divergent theories on security, the concept of energy security demands inclusion in an expanded notion of security.

This chapter is divided up into sections as follows. The first section argues that security is essentially a contested concept, it is contested with regards to what is the referent of the concept and it is contested with regards to the nature of security issues. The second section identifies the recent expansion of the notion of security – namely the securitisation of multiple non-military issues such as the aids virus and human migration patterns. The third section examines what the concept of energy security is, why it is a security issue and how energy is going to be secured and by whom and for what purpose. The fourth section will contain the chapter's conclusion and will examine the ascendance of the concept of energy security and why it has become important. It will also argue that energy security has become an important part of the study of International Relations and an integral part of international security.

What is the referent of the concept of security?

So what is security and how do we define it? What constitutes a security problem? Security is, according to historical tradition, the battlefield of states, where states coerce each other; challenge each other's sovereignty and attempt to impose their will on other sovereign states. The logic behind security implies that one political actor must be protected from the hostilities and antagonistic actions of another political actor. In the field of international relations, these actors are territorially defined sovereign states.¹

The first area of contestation associated with the concept of security is its focus on the state as the primary agent of the theory. There can be no denying the fact that the object we refer to when we employ the term "state" is not a static concept. Applying the term "state" to an actor in the international system denotes a number of implied attributes, namely an autonomous, territorially organised political unit in which the machinery of governance can be differentiated to a certain degree from the organisation of society.² Within these core elements of what constitutes a state, there can be virtually endless diversity in terms of how the internal mechanisms of the state are constructed and how the state relates to its citizens. One assumption underlying this thesis is that despite the differences in the internal dynamics of states, all states will share similar primary security concerns about the maintenance of their territory and the continuation of their political autonomy

¹ Ronnie Lipschutz, 'Negotiating the Boundaries at Millennium's End', *On Security*, Ronnie Lipschutz, (ed.) New York: Columbia University Press, 1995, p. 214.

² Barry Buzan, 'Security, the State, the "New World Order," and Beyond', *On Security*, Ronnie Lipschutz, (ed.) New York: Columbia University Press, 1995, p. 187.

as a result of their fundamental character.³ Given this assumption, for the purposes of this thesis, the term state is taken to mean “a distinct set of political institutions whose specific concern is with the organisation of domination, in the name of the common interest, within a delimited territory.”⁴

However while there is considerable debate over whether the state should remain the referent point for the concept of security, there is also debate over whether one definition of security can be sufficient for the entire world. For example a number of analysts contend that the conditions in the Third World are so different from those in the developed world that different concepts of security are called for. However, even within the group of theorists that argue that the Third World necessitates different notions of security there is no consensus over what the referent point for security in a Third World state should be. Mohammed Ayoob for example, argues that security within the Third World is inherently concerned with internal or external threats that have the potential to weaken or render inoperable the vital institutions of state governance.⁵ But for other analysts, such as Nicole Ball, it is not Third World states but the ruling regimes that are the key referent point for concepts of security within the Third World. She, amongst others, argues that regime security is the primary security factor within a Third

³ Buzan, p 188.

⁴ Iain Mclean, Alistair Mcmillan, (eds.) *The Concise Oxford Dictionary of Politics*, Oxford: Oxford University Press, 2003, p. 512.

⁵ Mohammed Ayoob, *The Third World Security Predicament: State Making, Regional Conflict, and the International System*, n.p: Boulder Corporation, 1995, p. 9.

World state as the purpose of governance in many of these states is not to ensure the security of its citizens but instead is to preserve the elite's hold on power.⁶

The argument for the inclusion of ruling regimes in Third World states is just one of several different ways of extending the referent point of security beyond the state. Another method of moving the referent point of security is to focus on the individual instead of the state as proposed by Ken Booth.⁷ Ken Booth argues that the concept of security needs to privilege individuals and needs to seriously consider the threats individuals face, such as financial issues or environmental concerns or threats to an individual's cultural or religious identity. Indeed military threats, the traditional rationale behind the concept of security may be less relevant to an individual than the aforementioned issues. Moreover, while some analysts prefer to reduce security's focus from the state to the individual some prefer to push security's focus beyond the state level to the international level. Edward Kolodziej argues that focusing security on the international level would allow security policy to be defined by the efforts of groups and states to "influence and determine the overall structure of the international security system or the component parts in preferred ways."⁸

So should the referent point for security be the individual, the state or the international system? The security of an individual can easily be affected and the

⁶ Nicole Ball, *Security and Economy in the Third World*, Princeton: Princeton University Press, 1988.

⁷ Ken Booth, 'Security and emancipation', *Review of International Studies*, volume 17, 1991.

⁸ Edward Kolodziej, 'What is Security and Security Studies?', *Arms Control*, volume 13: number 1, April 1992, p. 12.

problem with approaching the concept of security through the referent point of an individual is that the term security becomes synonymous with every good or desirable thing an individual needs in a politically robust society, for example being financially secure and able to live safely. Moreover at the level of the individual, “security” has relevance to everyday affairs, but quite separate from the individual’s desire to live in safety is the concept of “security” which has acquired a number of assumptions and connotations generated by the discussion of national security, security policy and other associated fields.⁹

The key argument that confronts the concept of international security is that while security at the level of the state (national security) has a longstanding tradition and principal objective, namely the continuation of state sovereignty within a given territory, there is very limited amounts of literature or philosophy on security that focuses on security with the international system being the primary actor. Furthermore, while the ongoing debate in the European Union about the prospect of becoming a single security entity presents us with the possibility of a regional level of security appearing in the future, there is certainly no framework of discussion for the creation of an international security entity.¹⁰

While the term “security” has relevance to the life of an individual and in the near future there is the possibility that security will be considered more frequently at a regional level, it is at the level of the state where the concept of security has

⁹ Ole Waever, ‘Securitization and Desecuritization’, *On Security*, Ronnie Lipschutz, (ed.) New York: Columbia University Press, 1995, pp. 48-49.

¹⁰ Buzan, p. 198.

traditionally been focused that the concept can be examined with the highest degree of accuracy. To summarise, “security,” which is primarily concerned about the continuance of the political autonomy of a state has – for the moment at least – to be examined through the lens of national security.¹¹

What is a security issue?

So before we examine why energy security should be included in the concept of security can we identify what makes something a security problem? Security problems are developments that threaten the sovereign independence of a state and jeopardise its ability to act autonomously. While identifying the continued survival of a state as the central theme of the concept of security may sound exaggerated, it is indeed the key to the security puzzle, because if the state ceases to act as a sovereign unit all other questions or possibilities become irrelevant.¹² As the continuance of a states existence is therefore the central factor behind the concept of security, we can identify the key question that needs to be asked of any issue that should supposedly be included in the concept of security, namely that does the problem threaten the very existence of the state? If an issue has been examined and it is discovered that the states continued survival could be at risk, the state can identify the problem as a security issue and may use any available means to ensure its existence. In essence, this means that if a state names a certain

¹¹ Waever, p. 49.

¹² Ibid, p. 53.

development a security problem, the state can claim the right to use any necessary options in an attempt to counter the threat.

So what then is security? Ole Waever identifies security as a “speech act” whereby the use of the term security by an official of a state is not an indication of something more genuine, the utterance itself is the primary act.¹³ By identifying something as a security development, a state official moves a particular threat or problem into a specific arena, and thereby claims for the state, a privileged right to use any options within its power to overcome the situation.¹⁴

So if the concept of security is primarily concerned with the continued existence of a politically autonomous state, and the term security is utilised by states to label certain issues a threat of significant magnitude to allow the state to take any possible action to counter the threat, what characteristics would the concept of energy security need to possess in order for it to be encompassed in the concept of security? The first observation we can make is that a lack of “energy security” would by inference, need to threaten the continued existence of a state through either immediate effects such as depriving the state of enough energy resources for it to be able to function effectively thereby damaging its economy, or through longer term effects such as the state gradually losing its political autonomy as a result of its overwhelming dependence on its energy being supplied by a single energy exporter.

¹³ Waever, p. 55.

¹⁴ *Ibid*, p. 55.

The nature of threats

Any discussion or meaningful examination of the concept of security is inevitably forced to contend with the question of what constitutes a threat to a state. Within the academic community there is very little consensus over this question. A number of analysts contend that threats to a state are not limited to the military sphere, thereby allowing economic, social factors and natural disasters to be identified in the threat category. Barry Buzan identifies three methods through which a state's security can be threatened, the first of these is a threat to the idea of the state (nationalism); secondly to the physical assets of the state (population and resources) and finally to the institutional expression of the state (the political system).¹⁵ Developing upon Buzan's theme, Richard Ullman observes that a threat to national security is an action that threatens to significantly and rapidly deteriorate the citizens of a state's quality of life and threatens to constrict the range of policy options available to the legitimate government of a state.¹⁶ So for the purposes of this thesis, Richard Ullman's definition of a threat, which does not restrict threats to the military sphere, will be utilised throughout the remainder of this paper.

The securitisation of non-traditional issues

¹⁵ Barry Buzan, *People, States and Fear: An agenda for International Security Studies in the Post-Cold War Era*. Second Edition, n.p: Boulder Company, 1991, p. 65.

¹⁶ Richard Ullman, 'Redefining Security', *International Security*, volume 8, Summer 1983. p. 133.

In a 1989 article in *Foreign Affairs*, Jessica Matthews argued that the once clear dividing line between foreign and domestic policy had become indistinguishable forcing governments to confront problems in an international context. She claimed that trans-national problems; in particular, resource and environmental concerns and the rapid human population growth rate would force a redefinition of what constituted security.¹⁷ The argument over whether other non-military issues should be included within the concept of security has once again become prominent in the wake of the 2003 U.S. led invasion of Iraq, most often under the rubric of 'resource wars' becoming a renewed threat to global security.¹⁸

However the argument that the concept of security needs to be enlarged so as to include the major trans-national issues has widely been disputed. This is largely a result of the fact that if we traditionally acknowledge that the concept of security primarily refers to the military defence of the *state*, if we expand upon it and say that security is also concerned with the effects humanity is having on the planet and what environmental repercussions there may be and the impact dramatic human demographic change will have in the future then we essentially enlarge the security realm endlessly until it encompasses the majority of the social and political agenda, thereby making the term all-inconclusive and hence, worthless.¹⁹

¹⁷ Matthews, p. 2-6.

¹⁸ For more information on the argument concerning resource wars see Philippe Le Billon., 'The Geopolitical Economy of Resource Wars', *Geopolitics*, volume 9: number 1, Spring 2004.

¹⁹ Waever, p. 48.

Furthermore it is important to continue to work within the contemporary context of this thesis whereby representatives of states currently determine priorities thereby reinforce a state-centric international system. Therefore this thesis will not be focusing as much attention on trans-national issues as it is constrained by its examination of contemporary interpretations and issues.

Energy security

So what then is energy security and why should it be important enough to be included in the theoretical concept of security? The importance of energy security is outlined in the first sentence of the incisive *Energy and Security: Towards a New Foreign Policy Strategy*: “Is it possible for the United States to be *secure* without a significant change in the way it uses energy and conducts its foreign policy,” the volume queries.²⁰ Energy security, at its most basic, is the ability of a state to have access to stable and affordable sources of energy for electricity generation and use in the transportation sector, it could also be added that energy security entails having the energy resources to defend the state militarily if the need arose.²¹

Energy security needs to be examined in an international and a national (state) level context. Internationally, if the energy distribution network was significantly

²⁰ Jan Kalicki, David Goldwyn, ‘The Need to Integrate Energy and Foreign Policy’, *Energy and Security: Towards a New Foreign Policy Strategy*, Jan Kalicki, David Goldwyn (eds.) Washington D.C: Woodrow Wilson Centre Press, 2005, p. 1. (Emphasis added.)

²¹ Roberts, p. 238.

disrupted (the long term closure of the Straits of Hormuz for instance) the effects would be severe. Lack of access to petroleum resources would have the potential to dramatically increase oil prices resulting in a recession in the majority of major Western economies which would create the adverse effects of large scale social disruptions which in turn has further negative effects which could, if the problem remained unsolved for a long enough amount of time, have the potential to halt the momentum of industrialisation.²²

At the national or state level energy security is concerned with a state having enough energy supplies to meet its immediate fuel requirements and for those requirements to be able to be projected to be met in the future. Essentially when a state is attempting to attain energy security it is trying to ensure that its energy requirements will be able to be satisfied in the future. The dual factors of rising international demand for petroleum and petroleum based products and the geopolitical tensions over hydrocarbon rich areas and the constant threats of terrorism or sabotage are forcing states to attempt to ensure their energy demands for the future will be satisfied.

The United States as the world's only superpower and the ultimate guarantor of the international system has a strategic interest in maintaining the international energy market as any possible disruption to the energy market constitutes a threat to the United States as an economic downturn in one of America's allies or trading partner's will either directly or indirectly impact upon the economy of the

²² Ibid, pp. 238-240.

United States and could have far greater consequences as argued above. Every nation has a unique combination of strengths and weaknesses and while the economic strength of the United States was the most significant factor in assisting its rise to international primacy, its economy is also its greatest vulnerability. Having access to energy at stable prices is a fundamental necessity for the success of the economy of the United States, and thereby any external threat to energy supplies affects America's vital interests.²³

Energy security is a security issue because as argued above, if the key notion behind the concept of security is the continuation of a politically autonomous state, a lack or absence of energy security directly impacts upon the states ability to make decisions in its own national interest thereby reducing its autonomy. If a state cannot maintain energy prices at a stable and affordable level and cannot guarantee sufficient quantities of energy for its economic and transportation sectors then national security is directly threatened as the economy is under threat. If energy concerns persist and become critical, the state may be unable to provide for the fuel needs of its military, rendering worthless, the armoured arsenal of a state and reducing the state to a less than politically autonomous entity as it cannot defend its territorially defined borders.

The premise that national security is threatened when a state does not possess energy security raises an important question, namely, how is energy to be secured

²³ Leon Fuerth, 'Energy, Homeland and National Security', *Energy & Security: Toward a New Foreign Policy Strategy*, Jan Kalicki, David Goldwyn, (eds.) Washington D.C: Woodrow Wilson Centre Press, 2005. p. 411.

and by whom shall it be secured? According to the report titled the *National Energy Policy* released by the National Energy Policy Development Group in 2001, the concentration of global oil production in any single region of the world is a potential contributor to the international energy network and thus energy security is enhanced by diversifying a countries suppliers.²⁴ However the National Energy Policy also notes that by the year 2020 the Persian Gulf oil producers are projected to supply between 54-67 percent of the world's daily oil consumption.²⁵

It is these figures that as Paul Robert notes must ultimately signal the failure of America's and the other major global petroleum consumer's attempts to diversify their oil suppliers. Roberts observes, as an example of the failure of America's efforts to diversify its oil supply, that regardless of how successful the United States is in generating a military presence in West Africa, the fact remains that West Africa's proven oil reserves of sixty-six billion barrels are less than a tenth of those in the Persian Gulf – and thus can only temporarily delay the time when the United States and the other major oil importers must return to the producers of the Middle East and its instabilities.²⁶

In the immediate future, diversification of supply can enhance a states energy security, however in the more long-term, lengthy contracts may not provide enough security for consumers in a volatile oil market when demand outstrips

²⁴ National Energy Policy Development Group, (NEPDG), *National Energy Policy*, Washington D.C. May 17, 2001, Chapter 8, p. 6-7. (The National Energy Policy will hereinafter be cited as the NEPDG, NEP 2001).

²⁵ Ibid.

²⁶ Roberts, pp. 257-258.

production. In that scenario, states may be forced to resort to military action or threats of military action to ensure their energy demands are satisfied. Indeed energy concerns have been widely predicted to be the catalyst for geopolitical tensions in the near future, perhaps leading to military confrontations between major regional powers.²⁷

As energy supply diversification policies will not provide a long-term solution to energy security concerns and the possibility, however slight, that tensions over diminishing hydrocarbon resources may lead to military conflict, it is apparent that ultimately, it is up to individual states to secure their own energy supplies to ensure their economy and national security are not threatened by supply disruptions. There is the possibility that in the future, regional coalitions may be created to serve the energy interests of all the states involved, but as of yet, the likelihood of these regional coalitions appearing seems slim.

In an international system characterised by instability where there is the possibility that demand for petroleum will exceed production, prices will rise rapidly and each state will be forced to attempt to use whatever means available to it to ensure its there is sufficient petroleum available for its economic, transportation and military sectors. While the United States maintains an interest in ensuring its Western allies fuel demands are satisfied as argued above, if there

²⁷ For more information on oil concerns being the catalyst for the next major military confrontation see: Klare, *Blood and Oil*; Richard Heinberg, *The Party's Over: Oil, War and the Fate of Industrial Societies*, Canada: New Society Publishers, 2005; Ian Rutledge, *Addicted to Oil: America's Relentless Drive for Energy Security*, New York: I.B. Tauris Press, 2005.

is a severe petroleum shortage the United States will inevitably attempt to ensure its own colossal petroleum needs are satisfied before moving to assist its allies, a factor that should induce the Western World to initiate their own energy security initiatives if they haven't begun already. While it is impossible to forecast accurately, competition over the remaining hydrocarbon resources is inevitable, hopefully the competition will be restricted to the energy marketplace but as global consumption increases there is no guarantee that military conflicts won't occur. In the immediate to distant future there are two certainties, firstly, petroleum is going to become an increasingly valued and scarce resource and secondly, energy security is going to become an increasingly important area of policy for states around the world.

Conclusion

Following the 2003 U.S. invasion of Iraq, energy security has become an increasingly discussed subject around the world. Despite the Bush administration's statements to the contrary, the relationship between the invasion and Iraq's vast oil reserves has been the source of much speculation about the true motives behind the U.S. led invasion. Within the United States, energy security has become a topic of importance in both academic and political circles alike, to the extent that President Bush declared in his 2006 State of the Union Address that he was implementing policy to ensure that America's "dependence on Middle

Eastern oil [became] a thing of the past.”²⁸ With the concept of energy security being widely discussed in intellectual circles in the United States, a number of books have begun to appear discussing America’s foreign policy in the Persian Gulf and how that policy is linked to America’s wider energy security policy.²⁹ This raises the question of why has energy security become such a prominent concept following the 2003 invasion of Iraq.

The first factor in the ascendance of the idea of energy security is the status of the international energy market and competition between giant oil companies over viable production opportunities. With the majority of the major Persian Gulf oil producer’s having nationalised oil industries – with the exception of Iraq – there are limited opportunities outside the Persian Gulf where states can receive large amounts of oil to fuel their economies. For example, in 2003, Japan and China were engaged in a bidding war for access to Russian oil. China wanted the Siberian crude oil to flow via a 1 400 mile, six hundred thousand barrel per day pipeline to the Chinese city of Daqing, Japan which is entirely dependent on imported oil supported a 2 300 mile, million barrel per day pipeline to the Pacific port of Nakhodka. Russia, considering both options eventually decided to approve Japan’s proposal, a decision which may have been influenced by Tokyo’s decision to invest \$14 billion into the proposed pipeline route along with a further

²⁸ President Bush’s 2006 State of the Union Address. Capitol Hill. Washington D.C. January 31, 2006. Electronic document accessed at <http://www.whitehouse.gov/news/releases/2006/01/20060131-10.html> on September 5, 2006.

²⁹ Klare, *Blood and Oil*; Richard Heinberg, *The Party’s Over: Oil, War and the Fate of Industrial Societies*, Canada: New Society Publishers, 2005; Ian Rutledge, *Addicted to Oil: America’s Relentless Drive for Energy Security*, New York: I.B. Tauris Press, 2005

\$8 billion to be invested into Siberia's oil and gas projects.³⁰ The fact that Russia deliberated for so long is understandable given the massive cost of the project but the timeframe between the bidding in 2003 and the decision being made in 2006 highlights the length of time it takes for major decisions to be made over energy distribution routes.

While competition for oil outside the Persian Gulf is one reason energy security has become so important, the other is projections surrounding the world's remaining oil and the lack of spare production capacity maintained around the world. The projections forecasting significant increases in global oil consumption will be discussed in detail in Chapter Four and Chapter Five, however the lack of spare oil production capacity creates the possibility that any disruption in the energy distribution network may result in demand exceeding supply. The member states of OPEC traditionally maintained surplus production capacity to protect against any disturbance in the international energy market, but as global oil demand has increased, Saudi Arabia became the only OPEC producer to maintain surplus production capacity.³¹ However in a widely unknown news article on March 6, 2003, the Saudi government announced that their production had reached a peak between 9.2 and 9.5 million barrels per day, and as a result, as of

³⁰ Sergei Blagov, 'Russia walks thin line between China and Japan', *Asia Times*, September 20, 2006. Electronic document accessed at http://www.atimes.com/atimes/Central_Asia/GA05Ag01.html on September 20, 2006.

³¹ Kenneth Deffeyes, *Beyond Oil: the view from Hubbert's Peak*, New York: Hill and Wang, 2005, p. 45.

2003, no significant surplus oil production capacity existed anywhere in the world.³²

Indeed it is the combination of major competition over existing hydrocarbons outside the unstable Persian Gulf and the 'tightness' of the energy market as a result of a lack of surplus production capacity that has led to energy security occupying a critical niche in the foreign policy objectives of a number of countries, and this is especially so in the United States where energy security policy and foreign policy is increasingly being formulated and evaluated in conjunction with each other. While overt threats to the continuing existence of states are rare, a states desire for security is always a primary concern, and as threats can rapidly emerge in this age of international terrorism the theory of security is an increasingly important one. Energy concerns are also rapidly becoming a central priority of states as any disruption in the oil distribution network results in an increased price for consumer's, as such the theory of energy security needs to become an integral component of the overarching theory of security.

The research question this thesis examines whether there has been any major shift in U.S. energy security policy in the post September 11 environment. As this chapter has highlighted, energy concerns are frequently being securitised so as to

³² The Saudi Announcement was published by the Dow Jones Newswire on March 6, 2003. The key sentence read: "Saudi Arabia has told Western government and oil officials that the kingdom's crude output has reached its limit at around 9.2 million barrels per day and won't rise further, even with a war looming in Iraq." As cited in Deffeyes, p. 92.

ensure they are included amongst a nation's national security priorities. Also the very inclusion of energy security within the traditional concept of security portrays the increasing emphasis states are placing on energy concerns – although it does not reveal whether there has been a major shift in U.S. energy security policy post September 11 as this argument is examined in the following chapters.

In the following chapter America's historical interest in the oil abundant region of the Persian Gulf is examined up until 1977 with the inauguration of President Jimmy Carter. Chapter Four will continue the examination of American interest in the Persian Gulf from the time of President Carter to serving President George W. Bush. While the remainder of this paper emphasises the geopolitics of oil as opposed to the theoretical nature of conflict over hydrocarbons, it is important to recall, that in Washington, where key decisions are made regarding the international oil market, energy security concerns are consistently raised as part of the rationale behind the direction of U.S. foreign policy.

CHAPTER THREE

AMERICA'S WORLD WAR II & POST-WAR POLICY
TOWARDS THE PERSIAN GULF: FROM 1939-1977

This chapter examines America's policy towards the Persian Gulf from World War II to 1977 when Jimmy Carter assumed the presidency. Because the time period this chapter covers is so large, only the major events and their ramifications will be discussed and analysed. This chapter seeks to provide a historical reference to the origin of American energy concerns and to provide a historical background on U.S. foreign policy towards the Persian Gulf.

America's World War II energy concerns

The advent of World War II emphasised the vital role of oil in modern warfare. Initial German military successes in the first years of the war followed by allied victories in the major theatres culminating in the eventual surrender of the Axis powers lent credence to the claim made after the war that, "if the internal combustion engine was the heart of the modern military machine, its life blood was oil."¹ The United States was the world's leading oil producer during the Second World War. When the U.S. entered the war the Franklin D. Roosevelt administration did not anticipate any problems in achieving the required oil production output to meet military demands. Robert E. Wilson, the Office of

¹ Harold Williamson, *The American Petroleum Industry: 1899-1959 the age of energy*, n.p: Northwestern University Press, 1963, pp. 747-748.

Production Management's oil expert, testified before Congress in March 1941 that as a result of conservation and rationing the U.S. oil industry would be able to meet any increase in demand that could conceivably be made of it.² Wilson claimed that production could be increased by 30 percent without any major new discoveries of oil reserves or a substantial increase in the amount of drilling. According to Wilson "a tremendous underground reserve" had developed, and was available "merely by the opening of valves"³ However the tremendous demand for oil during the war forced a reassessment of U.S. oil reserves and capabilities and by the end of 1941, studies were beginning to predict a decline in the amount of oil the U.S. would be able to produce as a result of wartime production.⁴

The military's demand for oil and increasing evidence from analysts on America's reserves compelled the Roosevelt administration to search for external sources of petroleum to mitigate the long term effects on national security of accelerated production. The mounting concerns over declining reserves led the State Department's petroleum adviser Max Thornburg to commission a study of a national policy for foreign sources of oil under the direction of Walton C. Ferris. In an early working paper, dated November 24, 1941, Ferris proposed increasing oil imports to reduce the substantial drain on domestic reserves created by the wartime economy thereby delaying the inevitability of U.S. dependence on

² David Painter, *Oil and the American Century: The Political Economy of U.S. Foreign Oil Policy, 1941 – 1954*, Baltimore: The John Hopkins University Press, 1986, p. 34.

³ Williamson, pp. 757-760.

⁴ *Ibid*, pp. 34-35.

foreign sources of petroleum. He also accurately predicted that in the future, regardless of imports, the United States would have to pursue a “more and more aggressive foreign oil policy aimed at assuring access to petroleum overseas.”⁵

Ferris’ paper, subsequently revised by Max Thornburg outlined the central principles that were to become official government policy during and after the war. The central assumptions contained in Ferris’ paper were that the United States’ proven reserves were being exhausted faster than new reserves were being discovered and unless this trend were reversed the U.S. would ultimately become a net importer of crude oil. Secondly, in order to counteract the depletion of domestic reserves, American oil needed to be conserved by exploiting the resources of foreign oil rich areas. These assumptions created the theoretical foundations on which diplomatic efforts, war and post war planning came to depend upon.⁶

The possibility of exploiting oil rich areas to conserve U.S. domestic reserves brought the potentially oil rich region of the Middle East to the attention of the administration. A feasibility study conducted by the Board of Economic Warfare supported U.S. interest in the Middle East and estimated that the region potentially contained as much oil as the U.S. The report concluded that Middle Eastern reserves constituted the only available significant deposits of petroleum

⁵ Michael Stoff, *Oil, War, and American Security: The Search for a National Policy on Foreign Oil, 1941 – 1947*, New Haven: Yale University Press, 1980, p. 67.

⁶ Aaron Miller, *Search for Security: Saudi Arabian Oil and American Foreign Policy 1939 – 1949*, North Carolina: The University of North Carolina Press, 1980, p. 49.

available to the United States in the Eastern Hemisphere.⁷ Everette Lee DeGolyer who was perhaps the most significant geologist in the oil industry during the war period confirmed the reports appraisal in early 1944 when he returned to Washington from surveying Middle Eastern oil prospects and proclaimed that, “the centre of gravity of world oil production is shifting from the Gulf-Caribbean area to the Middle East – to the Persian Gulf area.”⁸ The appraisal of Middle Eastern oil prospects by DeGolyer and the members of his mission confirmed to the administration that the Middle East’s vast reserves could be exploited to counteract depletion of U.S. reserves. As Herbert Feis later noted, “In all surveys of the situation, the pencil came to an awed pause at one point and place – the Middle East.”⁹

America’s need for a foreign source of petroleum was reaffirmed by senior military officers and administration officials as the war continued to deplete America’s domestic reserves. “It has become more and more apparent,” wrote Commodore Andrew F. Carter, the executive officer of the Army-Navy Petroleum Board to Secretary of the Navy Frank Knox in 1944, “that known petroleum reserves within the continental limits of the United States are inadequate to meet over a period of years either the wartime needs of the United States or the needs of the civilian economy once normal conditions are established.”¹⁰ Herbert Feis of the State Department’s economic staff arrived at a similar conclusion and argued

⁷ Miller, pp. 57-58.

⁸ Everette Lee DeGolyer, report to the Department of State as cited in Daniel Yergin, *The Prize: The Epic Quest for Oil, Money and Power*, New York: Simon and Schuster, 1991, p. 393.

⁹ Herbert Feis, remarks as cited in Painter, p. 35.

¹⁰ Andrew F. Carter, letter to Frank Knox as cited in Stoff, p. 72.

that unless additional sources of oil were secured and the rapid depletion of U.S. reserves brought to a halt, “American security, power and freedom would be in peril.”¹¹

America's efforts to secure access to foreign petroleum sources

Despite the toll on America's domestic reserves when the first opportunity arose for America to begin to ingratiate itself with a foreign oil producer it was overlooked as it was not expected that World War II would continue for such a long period of time. Roosevelt, writing to federal loan administrator Jesse Jones on the subject of financially assisting King Ibn Saud of Saudi Arabia in order to support the California Arabian Standard Oil Company (CASOC) who had been granted a sizeable oil concession in Saudi Arabia famously declared that, “[Saudi Arabia] is a little far afield for us.”¹²

The officials of CASOC who had been rebuffed in their request to receive government funding to support King Ibn Saud suggested to the king that he could request lend lease assistance from the United States, and he did so on the 26th June, 1941. President Roosevelt originally supported the idea of extending lend lease to Saudi Arabia, however as the U.S. was not yet a formal belligerent in the war, the political risks of supporting the king could have jeopardised the

¹¹ Herbert Feis, remarks as cited in Stoff, p. 73.

¹² Franklin Roosevelt, remarks as cited in Ibid, p. 33.

administrations overarching foreign policy objectives and so the request for assistance was denied.¹³

However when America formally entered the war it allowed Roosevelt greater freedom to implement foreign policy directives without undue pressure created by domestic political considerations. Therefore when the Near East Division of the State Department recommended extending lend lease assistance to Saudi Arabia in December of 1942, Saudi Arabia's vast oil reserves were a primary factor. The report from the Near East Division advised that the development and exploitation of Saudi Arabia's petroleum reserves should "be viewed in the light of broad national interest," and that the U.S. should protect its interests in Saudi Arabia using every available resource.¹⁴

While oil was a primary concern in the Near East Divisions recommendation that Saudi Arabia receive lend lease assistance from the U.S. it was not the sole concern. The U.S. was becoming increasingly alarmed that the British might encroach into Saudi Arabia thereby threatening U.S. commercial ties in the region and damaging U.S. attempts to secure access to external sources of petroleum. Wallace Murray writing to Assistant Secretary of State Dean Acheson on the December 15, 1942, advised that the British had been financially supporting King Ibn Saud and that there was a distinct possibility that the British may seek recompense from the king after the conclusion of the war. Murray warned that,

¹³ For background and discussion see Painter, p. 33; Miller, pp. 39-48.

¹⁴ The Near East Division, report on the importance of foreign oil reserves to the strategic position of the United States as cited in Painter, p. 35.

“as petroleum is the only resource of interest in Saudi Arabia, the British demand, if met, would be at the expense of an American interest of the highest importance.”¹⁵

British action within Saudi Arabia prompted CASOC officials to once again seek government assistance. The executives of CASOC: W.S.S. Rodgers and Henry D. Collier travelled to Washington to convince the administration of the vital importance that the U.S. retain the exclusive rights to Saudi Arabian oil reserves. Rodgers and Collier met with Harold Ickes and advised him that recent British actions threatened the significant concession they held in Saudi Arabia. Ickes, convinced by their argument agreed to bring the matter before President Roosevelt.¹⁶

As the Presidents of CASOC continued to lobby the government, on February 16, Harold Ickes discussed the issue of CASOC’s concession with President Roosevelt. Ickes advised the president that the British were trying to gain influence in Saudi Arabia at the expense of CASOC, and that Saudi Arabia was “probably the greatest and richest oil field in the world,” and the British “never overlooked any opportunity to get in where there was oil.”¹⁷

Lend lease assistance to Saudi Arabia

¹⁵ Wallace Murray, memorandum to Dean Acheson as cited in Miller, pp. 59-60.

¹⁶ Painter, p. 36.

¹⁷ Ibid, p. 37.

Meanwhile the State Department had approved the Near East Division's recommendation for extending lend lease assistance to Saudi Arabia and had forwarded the recommendation on to Lend Lease Administrator Edward R. Stettinius who duly sent the recommendation to the president on January 9, 1943. The Near East Division's recommendation received no attention until mid-February when the oil companies lobbying efforts brought Saudi Arabia and its oil to the forefront of the administrations oil debate.¹⁸ After consulting with the British, President Roosevelt, on February 18, 1943, declared that, "the defence of Saudi Arabia is vital to the defence of the United States," and approved the extension of the Lend Lease assistance to the kingdom of Saudi Arabia.¹⁹

The Lend Lease Act of 1941 gave the president the authority to sell, lend, lease, exchange or transfer military equipment to "any country whose defence the president deems vital to the defence of the United States." In passing the act, Congress had established a method for providing assistance to friendly countries that had been attacked by Axis Powers.²⁰ However Saudi Arabia was not under attack and had no historical ties with the United States. In extending lend lease aid to Saudi Arabia under the auspices of national security concerns President Roosevelt expressed a firm commitment to the security of Saudi Arabia and enhanced CASOC's position in the kingdom by relieving some of the pressure on the company to support the king. The extension of lend lease to Saudi Arabia indicated a significant shift in American policy towards the region as

¹⁸ Painter, p. 37.

¹⁹ Franklin Roosevelt, as cited in Miller, p. 70.

²⁰ Klare, *Blood and Oil*, p. 33.

administration efforts no longer aimed merely at maintaining the goodwill of King Ibn Saud, but increasingly focused on securing U.S. access to the oil of Saudi Arabia.²¹

The Roosevelt administration's attempts to become directly involved in the oil industry

Despite the lend lease assistance and an increased diplomatic presence in Saudi Arabia a number of U.S. officials believed the U.S. was not doing enough to support the Ibn Saud regime. The prospect of CASOC losing their major oil concession held in Saudi Arabia propelled the administration to become more involved in the internal affairs of the kingdom. The Committee of International Petroleum Policy, an interdepartmental advisory board created by the State Department, proposed in a memorandum to Secretary of State Cordell Hull, that the government establish a Petroleum Reserves Corporation which would seek to purchase options on foreign petroleum reserves, first in Saudi Arabia and then elsewhere. This would allow large stockpiles of oil to be placed at the administrations disposal in a short matter of time.²² Harold Ickes advanced an even more ambitious plan, he supported the creation of a government agency however instead of purchasing options his corporation would purchase property and “managerial interests in foreign petroleum reserves.”²³ Ickes’ plan would

²¹ Miller, p. 71.

²² Ibid, p. 73.

²³ Harold Ickes, remarks on the creation of a governmental agency whose goal would be to secure interests in foreign oil reserves as cited in Stoff, p. 76.

directly involve the U.S. government in the oil industry, a move unprecedented in American history.

Ickes' unilateral proposal was strongly supported by the Joint Chiefs of Staff and the Navy Department, both of which were becoming increasingly concerned over depletion of domestic oil reserves. The argument presented by Roosevelt's senior officials convinced the president that action was required and on June 26, 1943 President Roosevelt approved the plan for the Petroleum Reserves Corporation, selected Secretary of the Interior Harold Ickes to be its chairman and ordered the board to begin negotiations with CASOC for the purchase of all its stock.²⁴

On August 2, 1943, negotiations between Petroleum Reserves Corporation representatives and CASOC officials began for the purchase of the oil company's interest in Saudi Arabia. However CASOC officials were unwilling to part with their concession as they had increased oil production and the Axis threat had collapsed under an Allied offensive, and as such the concession appeared secure. Negotiations continued for three months and faced with increasing resistance from CASOC, Ickes moderated his initial demand, first for a controlling interest in the company, then for a full partnership and finally for a purchase of a third of the companies stock. CASOC officials however, fearful of government intervention in their company and disinclined to sell an interest that could be highly lucrative refused to compromise with the government and the PRC – CASOC negotiations reached an impasse. On November 3, 1943, Ickes informed

²⁴ Stoff, pp. 78-79.

the Petroleum Reserves Corporation board that negotiations with CASOC were suspended due to the “unreasonable” demands of the other parties.²⁵

With the failure of the Petroleum Reserves Corporation to purchase an interest in Saudi Arabia’s oil reserves and the eventual dissolution of the Petroleum Reserves Corporation, direct federal government attempts to become involved in the oil industry came to an end. Following the dissolution of the PRC the federal government’s primary role in the oil industry became that of maintaining security and stability in the world’s major oil producing regions. The collaboration between the oil companies and the federal government in matters of foreign oil development has been described as a public – private partnership by David S. Painter of Georgetown University: “Even though private interests rather than government agencies were given primary responsibility for implementing U.S. foreign oil policy,” Painter insists, “the U.S. government was nevertheless deeply involved in maintaining an international environment in which private companies could operate with security and profit.”²⁶

The meeting between President Roosevelt and King Ibn Saud

The increasing importance of Saudi Arabian oil to U.S. policy makers and the federal government’s redefined role in maintaining a stable international environment conducive to American oil companies prompted one of the most

²⁵ Miller, pp. 80-82. On the postwar development of Aramco, see Yergin, pp. 410-424.

²⁶ Painter, p. 1.

interesting encounters of World War II: the February 14, 1945, meeting between President Roosevelt and King Ibn Saud. After concluding the now famous summit conference with Winston Churchill and Joseph Stalin in Yalta, President Roosevelt flew to Egypt, meeting with King Ibn Saud aboard the USS *Quincy*, an American cruiser anchored in the Great Bitter Lake in the Suez Canal. This remarkable meeting between the acknowledged leader of the Allies and a staunch supporter of democratic ideals and an Arabian monarch who adhered to an extremely strict form of Islam was made more unique by the presence of Ibn Saud's entourage of forty eight retainers including Bedouin bodyguards, household slaves and the royal astrologer.²⁷

Roosevelt and Ibn Saud communicated through interpreter William Eddy for five "very intense hours."²⁸ No records of the conversations were kept and so the exact nature of the leader's conversation cannot be determined. Despite this a number of historians believe that Roosevelt solicited the king's views on proposals for a Jewish homeland in Palestine and that the leaders formed a tacit alliance which obliged the United States to protect Saudi sovereignty in exchange for a Saudi promise to allow American dominance of Saudi oil fields to continue unabated.²⁹

The U.S.-Saudi relationship forged by Roosevelt and Ibn Saud

²⁷ For background, see Klare, *Blood and Oil*, p. 35; Yergin pp. 403-405.

²⁸ Miller, p. 129.

²⁹ Alexei Vassiliev, *The History of Saudi Arabia*, n.p: Saqi Books, 1998, pp. 326-327.

While it cannot be confirmed that the discussion between Roosevelt and Ibn Saud led to a U.S. commitment to protect Saudi Arabia in return for oil, leaders of both countries have acted as if a precedent were created during that extraordinary conversation. Therefore when Iraq invaded Kuwait in August of 1990 and mobilised its forces on the border of Saudi Arabia the George H. W. Bush administration cited the Roosevelt – Ibn Saud meeting as part of the rationalisation behind sending troops to defend Saudi Arabia. “We do, of course, have historic ties to governments in the region,” then Secretary of Defence Dick Cheney told the Senate Armed Services Committee on September 11, 1990. Those ties, “hark back... to Saudi Arabia to 1945, when President Franklin Delano Roosevelt met with King Abdul Aziz on the USS *Quincy*... and affirmed... that the United States had a lasting and continuing interest in the security of the kingdom.”³⁰

The relationship between the United States and Saudi Arabia has evolved considerably since 1945; however the rationale behind its establishment was America’s national security concerns over depleted domestic oil reserves. The *New York Times* foreign affairs correspondent in 1945 Cyrus Sulzberger, outlined why the United States was so interested in Saudi Arabia and accurately declared that, “The immense oil deposits in Saudi Arabia alone make that country more important to American diplomacy than almost any other small nation,” an

³⁰ Dick Cheney remarks before the Senate Armed Services Committee on September 11, 1990. as cited in Klare, *Blood and Oil*, p. 36.

observation that would be strongly supported by U.S. policy towards the Persian Gulf over the next six decades.³¹

Defending America's national interest in the Middle East: The Truman Doctrine

The circumstances that led to the meeting between Roosevelt and Ibn Saud of February 1945 – anxiety over depletion of U.S. oil reserves and the increasing importance of Middle Eastern – in particular Saudi Arabian oil reserves to the United States were just as compelling to American policy makers in the post war era. Although the closure of the war temporarily halted battles being waged for access to petroleum, oil and oil products assumed as much, if not more importance in the post war era as the victorious allied powers began to increasingly rely on the abundant source of energy to fuel their vibrant economies. In the 25 years following the end of World War II, America's annual consumption of petroleum products tripled, from 1.8 billion barrels in 1946 to 5.4 billion barrels in 1971.³² A large percentage of this petroleum came from America's domestic sources of petroleum, but after 1955 a steadily increasing volume was imported from the Middle East.

The rise of Middle Eastern oil exports to the United States entailed increased American responsibility for maintaining security within the region. The twin problems of curtailing Soviet expansionism in the Gulf and the potent currents of

³¹ Cyrus Sulzberger, remarks on the importance of Saudi Arabia to the national interest of the United States as cited in Yergin, pp. 404-405.

³² Klare, *Blood and Oil*, p. 37.

rising Arabian nationalism were major themes throughout the Cold War period and they along with other intricate challenges constantly forced U.S. officials to revise their approach to the Middle East.

The first major geopolitical confrontation the new Truman administration faced in the Middle East was that of the Soviet Union refusing to withdraw its troops from Iran. Great Britain and the USSR had occupied Iran in order to protect their vital interests and ensure that the country, then the Gulf's leading oil producer was not conquered and annexed by Germany. Both Great Britain and the USSR had agreed to withdraw their forces within six months of the end of the war under the Anglo-Soviet-Iranian Treaty of January 1942 therefore all Soviet troops should have been withdrawn from Iran by March 2, 1946. International concerns over Soviet intentions were heightened when Soviet sponsored separatists seized control in Azerbaijan and Soviet forces protected the separatist movement from Iranian forces attempting to reassert central authority. Soviet forces then proceeded to advance further into Iran towards Tehran – not only had the USSR refused to withdraw its forces by the deadline, it was reinforcing its forces previously stationed in Iran.³³ Robert Rossow later wrote that, “One may fairly say that the Cold War began on March 4, 1946.”³⁴

The Truman administration in response to Soviet belligerency assumed a more bellicose position – the Navy received orders to increase its presence in the

³³ Michael Palmer, *Guardians of the Gulf: A History of America's Expanding Role in the Persian Gulf, 1833 – 1922*, New York: The Free Press, 1992, pp. 27-45.

³⁴ Robert Rossow, comments over the start of the Cold War as cited in *Ibid*, p. 31.

Mediterranean and George Kennan, the U.S. ambassador in Moscow was instructed to request Moscow's official intentions in Iran and to provide a "graceful way out" of what was becoming a major confrontation. Faced with an unyielding response from the United States and unwilling to risk further military hostilities, Stalin chose to back down; Moscow withdrew all of its forces from Iran in May 1946 leaving the newly created Tabriz regime to collapse as the Iranian army approached.³⁵

The Iranian crisis is often cited as the first conflict of the Cold War. However comprehensive analysis by David S. Painter portrays the dispute as a geopolitical contest, with the Middle Eastern oil fields as the prize.³⁶ In early 1946, President Truman declared that Soviet actions in Iran were part of a "giant pincers movement against the oil-rich areas of the Near East and the warm water ports of the Mediterranean," and as the Cold War escalated, ensuring Soviet influence and armed forces were kept as far as possible from the oil reserves of the Middle East became official U.S. policy.³⁷

While the Soviet Union was attempting to increase its influence in the Middle East it was also beginning to make political advances in Greece and Turkey. U.S. officials believed these efforts were interrelated with Moscow's ambitions in the Persian Gulf and saw the possibility of pro Soviet regimes being installed in these

³⁵ Palmer, pp. 27-45.

³⁶ Painter, pp. 112-113.

³⁷ Harry Truman, remarks over the nature of Soviet ambitions in the Middle East as cited in Klare, *Blood and Oil*, p. 139.

countries as a threat to America retaining secure access to Middle Eastern oil supplies. In response to the developments in the Mediterranean the Truman administration sought to extend lend lease assistance to friendly governments in the region. However Congress was reluctant to create the possibility that American troops could become involved in overseas conflicts so soon after the end of World War II.³⁸ To overcome this resistance, President Truman made his famous Truman Doctrine speech before Congress on March 12, 1947, where he declared that the new policy of the United States would be to “support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures.”³⁹ In response to President Truman’s declaration, Congress approved a \$400 million aid package for Greece and Turkey and created a precedent for future aid packages to be provided to countries at risk from Soviet expansion.

While America and its North Atlantic Treaty Organisation (NATO) allies were attempting to contain Soviet expansion in the mid-late 1940s, the Persian Gulf had become a region of vital strategic importance for the United States. The reconstruction of a war torn Western Europe under the Marshall Plan and the fundamental imperative of containing Soviet expansionism depended upon a steadily expanding flow of oil from the Gulf. With the conclusion of World War II, the United States continued to export oil, although it never managed to fully

³⁸ Klare, *Blood and Oil*, p. 40.

³⁹ Harry Truman, enunciation of the Truman Doctrine before Congress on March 12, 1947 as cited in the Truman Presidential Museum & Library website. Electronic document accessed at <http://www.trumanlibrary.org/teacher/doctrine.htm> on May 03, 2006.

regain its role as the world's major oil exporter. However in late 1947, petroleum shortages developed within the United States. On January 17, 1948, President Truman announced stringent conservation standards on government departments designed to reduce expenditure of petroleum products. Truman's Secretary of Defence, James Forrestal, was a vocal proponent of the importance of Middle Eastern oil. "The Marshall Plan for Europe could not succeed without access to the Middle East's oil and we could not fight another war without access to it," he insisted. On January 19, James Forrestal warned Congress that America's domestic oil shortage was a threat to national security.⁴⁰ The domestic shortages evaporated by early 1949 as the world's oil companies increased output to reflect heightened demand generated by peacetime economies. Nevertheless, the concerns created by a domestic shortage of oil in 1948 forged the connection between American energy demands, national security and the Middle East.⁴¹

The Eisenhower Doctrine

In 1949 under the auspices of a Mutual Defence Assistance Agreement the U.S. agreed for the first time to provide basic arms and military training to the Saudi Arabian regime. American military aid to Saudi Arabia received a substantial increase in 1957 in accordance with the second presidential declaration relevant to Middle Eastern security affairs – the Eisenhower Doctrine. The Eisenhower Doctrine, like its predecessor the Truman Doctrine sought to counter increased

⁴⁰ Palmer, pp. 41-43.

⁴¹ James Bill, *The Eagle and the Lion: The Tragedy of American-Iranian Relations*, New York: Yale University Press, 1988, pp. 29-30.

Soviet involvement in the Middle East.⁴² The Eisenhower Doctrine was enunciated in a presidential address before Congress on January 5, 1957, and was later written into a joint Senate – Congressional resolution. The doctrine authorised the president to use American armed forces to protect Middle Eastern countries threatened by communist expansion and to provide military assistance programmes for pro Western regimes.⁴³

The Saudi Arabian regime was one of the first beneficiaries of the new Eisenhower Doctrine receiving substantial concessions on arms sales of modern weaponry including a \$50 million credit from the United States to allow the kingdom to begin purchasing the military hardware. The United States through the Defence attaché at the American embassy located in Saudi Arabia also began supplying arms and assistance to the Saudi Arabian National Guard (SANG), a paramilitary force trained by British officers, with a separate command structure to that of Saudi Arabia's traditional armed forces, whose central mission was and is to defend the regime against internal problems.⁴⁴

An end to the U.S.-Saudi military relationship

In April 1962 under the leadership of Secretary of Defence Robert McNamara a phase in the U.S. – Saudi military relationship came to an end as McNamara did

⁴² Klare, *Blood and Oil*, p. 41.

⁴³ For background and discussion, see Palmer, pp. 78-79; David Long, *The United States and Saudi Arabia: Ambivalent Allies*, n.p: Westview Press, 1985, pp. 111-113.

⁴⁴ Long, pp. 51-53.

not seek an extension on the lease of Dhahran airfield. Despite the United States discontinuing its direct military relationship with the kingdom the U.S. maintained an interest in the security of the regime a concern that was made evident by the Kennedy administration's decision to send a fighter squadron to Saudi Arabia in response to attacks on Saudi Arabia from Yemeni rebels during the Yemeni Civil War of 1962 – 70. The squadron of F-100s were deployed to Saudi Arabia on July 6, 1963, and remained there until January 30, 1964. While of questionable military value, the deployment of the fighters to Saudi Arabia has significance as it was the first time an American administration had shown a readiness to sacrifice American lives on behalf of the Saudi Arabian kingdom.⁴⁵

The Nixon Doctrine

Richard Nixon became president in January 1969 and he inherited from his predecessor a slowly disintegrating diplomatic position in the Middle East. America's deteriorating position in the Middle East was compounded by Great Britain withdrawing her forces from the region which left a significant power vacuum. Believing that U.S. involvement in Vietnam had created an unwillingness in the American public to support further military engagements, President Nixon formulated a policy that emphasised Middle Eastern states assuming responsibility for the region's security. In his State of the Union Address on January 22, 1970, President Nixon outlined what became known as the Nixon Doctrine. In his speech Nixon declared that, "the nations of each part of

⁴⁵ Long, pp. 44-46; Klare, *Blood and Oil*, pp. 42-43.

the world should assume the primary responsibility for their own well-being,” and that “neither the defence nor the development of other nations can be exclusively or primarily an American undertaking.”⁴⁶

The Nixon Doctrine had a significant impact on U.S. policy towards Middle Eastern regimes. With the American public unwilling to become militarily involved within the Persian Gulf, U.S. officials chose Iran and Saudi Arabia to be the regional powers that would fill the vacuum created by Britain’s withdrawal. Under the auspices of the Nixon Doctrine the United States supplied billions of dollars worth of advanced weaponry to the two regimes selected to be the agents of American strategy. Iran received 190 F-4 Phantom fighter planes, 80 F-14 air superiority aircraft and 460 M-60A1 tanks. Saudi Arabia received 60 F-15 Eagle fighter planes, 200 AH-1S attack helicopters and 250 M-60A1 tanks.⁴⁷ Because Iranian and Saudi military personnel generally lacked experience in operating and maintaining such advanced weaponry the arms transfers also entailed the deployment of large numbers of American advisers and technicians to the region to assist the regimes with the operating of their new weaponry.⁴⁸

While the Nixon Doctrine represented renewed American interest in the Middle East the policy of transferring large amounts of weaponry to the region was a

⁴⁶ President Nixon’s State of the Union Address on January 22, 1970. Electronic document accessed at <http://janda.org/politxts/State%20of%20Union%20Addresses/1970-1974%20Nixon%20T/RMN70.html> on May 10, 2006.

⁴⁷ International Institute for Strategic Studies, *The Military Balance, 1979 – 1980*, London: Institute for Strategic Studies, 1979, pp. 39-44.

⁴⁸ Klare, *Blood and Oil*, pp. 43-44.

strategy that had been rejected by previous administrations as being destabilising and counterproductive. Senator Edward Kennedy argued that the Nixon Doctrine encouraged an arms race in the Persian Gulf and increased the risk of instability within the region.⁴⁹

The 1973-1974 Arab oil embargo

Despite the United States militarily supporting Iran and Saudi Arabia in an effort to ensure regional stability, this factor did not stop both the Iranian and Saudi regimes participating in the Arab oil embargo of 1973 – 1974. The embargo was implemented by King Faysal of Saudi Arabia in response to what appeared to be American hypocrisy in their promise to remain impartial in the Israeli-Arab war of 1973.⁵⁰

The Arab oil embargo created an economic crisis in the United States and had a significant impact on the personal transportation sector which suffered from restrictions due to the petroleum shortages. The embargo also had a serious impact on the economies of Western Europe and Japan whose post-war economic recoveries suddenly seemed very fragile in view of a disruption in the oil supply network. President Nixon embroiled in the Watergate scandal was unable to provide sufficient attention to ending the embargo diplomatically and as such Secretary of State Henry Kissinger began travelling throughout the Middle East

⁴⁹ Edward Kennedy, 'The Persian Gulf: Arms Race of Arms Control?', *Foreign Affairs*, number 54, October 1975, pp. 14-35.

⁵⁰ Long, pp. 23-25.

attempting to find a solution to the crisis. On March 18, 1974, the Arab oil embargo was officially ended; peace talks were held between Israeli representatives and Arabian officials and the United States and Russia withdrew from their confrontational stances.⁵¹

The Arab oil embargo of 1973 – 1974 was the first of two significant events that revealed the failure of the Nixon Doctrine and the collapse of the existing security structure within the Persian Gulf. The abdication of the shah of Iran on January 16, 1979, was the second event that was a disaster for American policy in the region. In the view of Henry Kissinger the shah fell from power because the reforms he was initiating were proceeding too rapidly, and as such the shah was a victim of a crisis caused by the modernisation process.⁵² With the abdication of the shah, militant mullahs increasingly dominated Iranian politics and in the months following the shah's abdication, Iran came under the control of Ayatollah Ruholla Khomeini's revolutionary Islamic regime.⁵³

Conclusion

The Arab oil embargo and the abdication of the Shah of Iran would ultimately force a reassessment of U.S. policy towards the Persian Gulf under the leadership of the Carter administration whose policies will be discussed in the following chapter as well as his successor's policies towards the Persian Gulf. Between the

⁵¹ Yergin, pp. 606-633.

⁵² Palmer, pp. 103-104.

⁵³ Klare, *Blood and Oil*, pp. 44-45.

end of World War II and the abdication of the Shah, America had attempted numerous different strategies towards the Persian Gulf in order to protect their interests, from the Eisenhower Doctrine which enabled Saudi Arabia to purchase American military equipment to the Nixon Doctrine which attempted to place the responsibility for Persian Gulf security back into the hands of Persian Gulf regimes. While these vastly different doctrines reflect each president's political agenda, America was never willing to entirely forsake the Persian Gulf, despite all its instabilities and problems. The following chapter now discusses the policies of the presidents from Jimmy Carter to the present towards the Persian Gulf.

CHAPTER FOUR

EXPANDED AMERICAN INVOLVEMENT IN THE PERSIAN GULF: FROM PRESIDENT CARTER TO PRESIDENT GEORGE W. BUSH

Between the end of World War II and the abdication of the Shah of Iran, the United States attempted a variety of different approaches towards the regimes of the Persian Gulf. However from President Jimmy Carter onwards, the United States has adopted a more muscular position towards threats that interfere with their interests in the region, a position which includes the direct use of American military force to protect America's national interest. This chapter will discuss the consistency of American foreign policy from President Carter to President George W. Bush as well as highlighting those major events in the Persian Gulf which have had serious implications for American policy in the region.

Dual threats to American interests in the Persian Gulf and President Carter's response

Jimmy Carter became the United States' 39th president on January 20, 1977. The first major Persian Gulf policy quandary Carter faced was the abdication of the Shah and the subsequent takeover of the American embassy in Iran. These two problems created serious complications for American interests in the region forcing President Carter to conduct a review of American policy towards the Middle East. However while the Carter administration was attempting to resolve

the American embassy crisis in Iran, the Soviet Union further complicated American policy in the region through its invasion of Afghanistan on December 24, 1979. Both events heightened American concerns over the security of the Persian Gulf oil fields. The embassy occupation complicated America's strategy for defending Gulf oil routes as it forced the U.S. administration into a confrontational relationship with the new Iranian regime. Moreover, the Soviet presence in Afghanistan created more direct security concerns as the oil fields of the Persian Gulf were within direct reach of Soviet armed forces.¹

These two developments in the Middle East proved to be the most complicated challenges the Carter administration would face. President Carter eventually decided that decisive action was necessary to deter Soviet advances towards the Persian Gulf and on January 23, 1980, in his State of the Union Address, the president enunciated what became known as the Carter Doctrine. Carter declared that any attempt by outside forces to gain control of the Persian Gulf region would be viewed as an assault on America's vital interests and would be repelled by "any means necessary, including military force."²

In the months following the enunciation of the Carter Doctrine the administration began implementing a number of strategies designed to facilitate the projection of American military power into the Persian Gulf. The most significant plan implemented by the Carter administration was the establishment of the Rapid

¹ Klare, *Blood and Oil*, pp. 45-46.

² President Carter, enunciation of the Carter Doctrine before Congress on January 23, 1980 as cited in Palmer, p. 106.

Deployment Joint Task Force – the Tampa-Florida based military command that maintained sole responsibility for managing American military operations in the Middle East and which ultimately became the full scale regional headquarters now known as Central Command.³ Carter also ordered the procurement of a number of supply vessels that could sustain American forces once deployed in the Persian Gulf and ordered a pair of carrier battle groups into the North Arabian Sea further strengthening the American military presence in the Middle East.⁴

President Reagan's policy towards the Persian Gulf

President Reagan defeated President Carter in the 1980 presidential elections and he inherited a strengthened American position in the Middle East as a result of his predecessor's numerous efforts in maintaining Persian Gulf security. Eager to strengthen relationships with the Saudi regime, the president approved an \$8.5 billion dollar arms sale package, which remains the largest arms transfer deal between Saudi Arabia and the U.S ever.⁵ The proposed arms sale provoked a furore in Congress as many Congressmen believed an arms sale of such a magnitude could pose a threat to Israel. On October 14, 1981, the arms sale proposal was presented to Congress who overwhelmingly voted against it: 301 to 111. However under the Arms Control Export Act of 1976, both Congress and the Senate must vote against a proposed arms transaction in order for it to be defeated

³ For background on Central Command and the other regional commands, see Dana Priest, *The Mission: Waging War and Keeping Peace with America's Military*, New York: W. W. Norton & Company, 2003.

⁴ Palmer, pp. 106-111.

⁵ Klare, *Blood and Oil*, p. 47.

and on October 28, the effort to block the sale in the Senate was defeated by a margin of 52 votes.⁶ The 1981 arms sale revealed America's increasing dependency on Saudi Arabian oil as the Saudis demanded America's most advanced weapons technology in order to modernise their military forces and these demands placed enormous pressure on President Reagan who felt obligated to yield to their extravagant requests.⁷

Despite the increased American presence in the Middle East as a result of the Carter Doctrine, the Iran-Iraq war continued to compromise the stability of the Persian Gulf. When Iraq invaded Iran in September 1980, Washington initially declared itself neutral and imposed an arms embargo on both belligerents. However in 1987-88 the Reagan administration decided to reflag Kuwaiti oil tankers and protect them from Iranian attack. Testifying before Congress in September 1983, Deputy Assistant Secretary of State Robert H. Pelletreau argued that the United States "would regard as especially serious any threat by either party to interfere with free navigation or act in any way that would restrict oil exports from the Gulf."⁸ As Iran increased its attacks on Kuwaiti tankers the Reagan administration decided that American naval vessels would physically escort "reflagged" Kuwaiti tankers in order to protect them. This decision placed the U.S. navy in a compromised position in the Gulf as it provoked a number of

⁶ Long, pp. 64-66.

⁷ Roberts, p. 56.

⁸ Robert Pelletreau, statement before Congress in which he voiced America's opposition to the targeting of oil tankers by the belligerents in the Iran-Iraq War as cited in Palmer, pp. 118-119.

clashes with Iranian naval vessels and two mistaken attacks by Iraqi fighter pilots.⁹

The Iran-Iraq War concluded in August 1988, with both belligerents facing enormous debts accumulated throughout the war. The Reagan administration's decision to reflag and protect Kuwaiti tankers marked a critical juncture in the history of American involvement in the Gulf. American intervention in the Iran-Iraq War revealed that U.S. leadership was committed to protecting their strategic, economic and geopolitical interests in the gulf and would use military force to protect their interests if necessary. Reagan demonstrated that the Carter Doctrine, with its emphasis on protecting American interests in the gulf through use of military force if necessary, was not simply bluster and rhetoric, but was, a genuine statement of American intent in the region.¹⁰

The 1990-1991 Gulf War

The peace that descended on the Persian Gulf in the aftermath of the Iran-Iraq War did not remain for long. Faced with a monumental level of accumulated wartime debt, the Iraqi dictator, Saddam Hussein, began to view the resources of the oil rich state of Kuwait as a potential way to solve Iraq's financial difficulties. On July 16, 1990, Iraq's Foreign Minister Tariq Aziz in a letter to the Arab League accused the gulf states of conspiring with the United States and waging

⁹ Palmer, pp. 128-149.

¹⁰ Ibid, p. 149.

economic warfare against Iraq, he also demanded that the gulf Arabs forgive Iraq's \$30 billion debt. Furthermore he denounced Kuwait for stealing oil from the Rumaila oil field that is situated on the Iraq-Kuwait border and demanded that Kuwait pay \$2.4 billion in compensation for lost revenue. Following a lack of response from Kuwait and the wider Arab community concerning his financial demands, Saddam Hussein ordered Iraqi troops to invade Kuwait on August 2, 1990.¹¹

In response to the invasion then President George H. W. Bush sent former Secretary of Defence Dick Cheney and General Norman Schwarzkopf to meet with King Fahd of Saudi Arabia, on August 6 the U.S. delegation presented the king with the capabilities of the American military and the strategies they would pursue in order to safeguard Saudi Arabia. Cheney requested that the king give permission for American armed forces to deploy to Saudi Arabian bases and advised the king on the benefits of restricting Iraq's petroleum from flowing through Saudi Arabian pipelines. King Fahd acquiesced to Cheney's requests and recalled the longstanding security relationship between America and Saudi Arabia forged by his father – Ibn Saud – and President Roosevelt, Fahd also advised the American delegation that he would close down the Iraqi pipeline and he also gave permission for American armed forces to deploy to the Saudi Arabian peninsula.¹²

Having received the king's permission to deploy American troops in defence of

¹¹ Palmer, pp. 150-162.

¹² Ibid, pp. 166-167.

Saudi Arabia then President Bush ordered Dick Cheney to begin the necessary troop movements.¹³

The George H. W. Bush administration in authorising an unprecedented use of force in the Persian Gulf was responding to what was seen as a direct attack on America's vital interests. President Bush, in a nationally televised address on August 8 announced his decision to use military force in the Gulf to the American public. As justification for the use of America's military in a foreign country, Bush cited America's colossal energy demands as a primary factor. "Our country now imports nearly half the oil it consumes and could face a major threat to its economic independence," he declared. Therefore, "the sovereign independence of Saudi Arabia is of vital interest to the United States."¹⁴ Secretary of Defence Dick Cheney similarly cited energy concerns in his first major statement on the crisis at a September 11 appearance before the Senate Armed Services Committee. "Once [Saddam Hussein] acquired Kuwait and deployed an army as large as the one he possesses," Cheney observed, he would be "in a position to be able to dictate the future of worldwide energy policy and that [would enable him to implement] a stranglehold on our economy."¹⁵ The statements made by President Bush and Secretary of Defence Dick Cheney emphasised the importance of oil to America and underscored the economic reasons the administration had in sending

¹³ Bob Woodward, *The Commanders*, New York: Simon and Schuster, 2002, pp. 224-273.

¹⁴ George H. W. Bush, remarks over the relationship between Saudi Arabia and America's energy consumption as cited in Klare, *Blood and Oil*, p. 50.

¹⁵ Dick Cheney, remarks before the Senate Armed Services Committee concerning the threat Saddam Hussein would pose if he successfully conquered and permanently annexed Kuwait as cited in Klare, *Blood and Oil*, p. 211.

American forces to the Persian Gulf – a deployment that further enhanced the authenticity of the Carter Doctrine.¹⁶

Ultimately more than 250 000 American troops were deployed to Saudi Arabia under the aegis of Operation Desert Shield. Once the Bush administration was confident that Saudi Arabia could no longer be successfully invaded by Iraqi forces it ordered the deployment of a further 250 000 American troops into the region in order to prepare for Operation Desert Storm – the offensive that would force the Iraqi forces out of Kuwait. On January 17, 1991, American and allied combat aircraft commenced the air campaign against predetermined Iraqi targets and five weeks later, on February 24, President Bush gave the authorisation for the ground offensive to begin. Four days after the commencement of ground operations, on February 28, Iraqi forces abandoned Kuwait and President Bush ordered allied offensive operations to cease.¹⁷

The aftermath of the Gulf War

With the conclusion of Operation Desert Storm, American interests in the Persian Gulf were secured. Despite Iraq's military defeat, Saddam Hussein remained in control of Iraq and the Bush administration had no intention of allowing him to rebuild his armed forces. Accordingly, the Bush administration adopted a strategy

¹⁶ Klare, *Blood and Oil*, p. 50.

¹⁷ For a comprehensive account of Operation Desert Storm see Palmer, pp. 213-242. For a compelling indictment of the way the Bush administration handed Operation Desert Storm see Thomas Mahnken, 'A Squandered Opportunity? The Decision to End the Gulf War', *The Gulf War of 1991 Reconsidered*, A. J. Bacevich (ed.) London: Frank Cass Press, 2003.

of “containment” designed to ensure that Iraq was unable to recreate its military apparatus. The United States also established a permanent military presence in Kuwait and created and enforced a no-fly zone over Southern Iraq. In order to enforce the no-fly zone over Southern Iraq – named Operation Southern Watch – large number of American pilots and support personnel remained stationed at bases in Saudi Arabia. Their presence was a violation of the promise Cheney made to King Fahd who had demanded at their August 6 meeting that American troops had to be removed from the Saudi Arabian peninsula when the danger from Iraq had abated.¹⁸

Washington’s decision to enforce Operation Southern Watch from Saudi Arabian bases proved to be a decision that led to the numerous terrorist attacks against American targets in the Middle East and Africa and led to the now infamous and tragic attacks against America on September 11, 2001. Osama bin Laden – the head of the Islamic terrorist organisation known as al-Qaeda who claimed responsibility for the September 11 attacks – was provoked into waging war against the United States by the deployment of American troops in Saudi Arabia and by the continuing alliance between Washington and the house of Saud – the alliance that was created in 1945 by President Roosevelt and King Ibn Saud. While the relationship between the United States and Saudi Arabia has evolved considerably over time, to reflect a changing international environment, the

¹⁸ Woodward, *The Commanders*, pp. 263-273.

relationship remains a product of America's increasing demand for petroleum and the Saud monarchy's desire for security.¹⁹

America's energy security predicament

George W. Bush assumed the presidency of the United States in January 2001 and was immediately confronted with the security implications of leading a nation that was becoming increasingly dependent on foreign sources of petroleum. This dependency was emphasised in April 1998, when for the first time, the United States, once the world's leading oil exporter, had imported more than fifty percent of the oil it consumed.²⁰ In response to this alarming development, President Bush during his second week in office ordered the creation of the National Energy Policy Development Group (NEPDG) – an interdepartmental body staffed with high ranking officials from the Departments of Commerce, Energy and State. Insisting on the need for rapid solutions, President Bush ordered the group to have its reported completed by May 2001 and appointed Vice President Dick Cheney, former CEO of the world's largest oil services company, Halliburton, to direct the work of the advisory group.

The NEPDG was instructed to evaluate every aspect of America's energy situation, but the most important concern the group examined was what strategies could be implemented to have a positive impact on America's increasing demand

¹⁹ Klare, *Blood and Oil*, p. 55.

²⁰ *Ibid*, p. 56.

for imported petroleum. While Cheney's development group were evaluating America's energy dependency situation, Cheney himself, made a statement on April 30, 2001, that foreshadowed the release of the official report and gave an early indication that the strategy, when released, would not be attempting to change America's energy consumption habits. Speaking to reporters at an Associated Press meeting in Toronto, Cheney ridiculed the idea that the United States could implement conservation or fuel rationing to avoid an impending energy emergency. "Conservation may be a sign of personal virtue" he proclaimed, "but it is not a sufficient basis for a sound, comprehensive energy policy." The reality of America's situation, he said, was that oil and other fossil fuels would remain America's primary energy source for "years down the road," and therefore the administration would seek to *secure* access to the fossil fuels and to increase their availability, not restrict it.²¹

The National Energy Policy

The administration officially released the National Energy Policy Development Group's report and recommendations under the title of the *National Energy Policy* (NEP) on May 17, 2001.²² The National Energy Policy (which is also known as the Cheney report after its principal author) contains a wealth of

²¹ Dick Cheney, remarks on whether the strategy he was creating for American energy policy would call for a new energy approach that reduced the level of fossil fuel consumption as cited in Richard Benedetto, 'Cheney's energy plan focuses on production', *USA Today*, May 1, 2001. Electronic document accessed at <http://www.usatoday.com/news/washington/2001-05-01-cheney-usat.htm> on June 2, 2006. (Emphasis added.)

²² NEPDG. NEP 2001.

information on America's energy situation but on perhaps the most important energy related subject – that of America's increasing dependency on foreign sources of petroleum, it is relatively silent.

The Cheney report observes that, "America 20 years from now will import nearly two of every three barrels of oil – a condition of increased dependency on foreign powers that do not always have America's interests at heart."²³ While acknowledging America's increasing demand for imported petroleum, the Cheney report is very guarded on how overwhelming the increased level of demand for imported petroleum will be. The principal allusion to the increased level of demand appears in a chart showing the nation's projected oil production vs. consumption from the year 2000 to the year 2020.

According to the chart, production from domestic oil fields will decline from approximately 8.5 million barrels per day (mb/d) in 2002 to 7.0 mb/d in 2020, while consumption will increase from 19.5 mb/d to 25.5 mb/d. This 31 percent increase in consumption alongside the decline in domestic production entails demand for an increase in imported petroleum of 7.5 mb/d to overcome the projected shortfall. The majority of the policy recommendations in chapter eight of the NEP are details of how the United States can gain access to this vastly amount of petroleum.²⁴

²³ NEPDG, NEP 2001, chapter 1, p. 10.

²⁴ Michael Klare, 'Bush Cheney Energy Strategy: Procuring the Rest of the World's Oil', *Foreign Policy in Focus*, January 2004. Electronic document accessed at http://www.fpif.org/papers/03petropol/politics_body.html on June 06 2006.

Chapter eight of the NEP titled ‘Strengthening Global Alliances: Enhancing National Energy Security and International Relationships’ contains a large number of country – or region specific policy recommendations that detail how America can attempt to gain access to the voluminous amounts of petroleum that will be needed for future consumption. “U.S. national energy security depends on sufficient energy supplies to support U.S. and global economic growth,”²⁵ the introduction to chapter eight declares, before outlining America’s self-sufficiency in virtually all energy resources apart from oil and limited amounts of natural gas. Chapter eight explains that a disruption in world oil supplies could adversely affect American foreign policy objectives and calls for a need to strengthen alliances with the world’s major oil producers in order to enhance America’s energy security. Indeed the Cheney report declares that the president and administration officials must “make energy security a priority of our trade and foreign policy.”²⁶

The NEP also specifically mentions diversifying America’s oil suppliers so as to further enhance American energy security. “Concentration of world oil production in any one region of the world is a potential contributor to market instability,” the report observes, before outlining that the Middle East is projected to supply between 54 and 67 percent of the world’s oil by the year 2020, and as such, the

²⁵ NEPDG, NEP 2001, chapter 8, p. 1.

²⁶ Ibid, chapter 8 p. 4.

region will be the hydrocarbon capital of the world.²⁷ In order for America to diversify its oil supply from the increasingly important Middle East, the NEP recommends that the president and other U.S. officials support and encourage initiatives by “Saudi Arabia, Kuwait, Algeria, Qatar, the UAE, and other suppliers to open up areas of their energy sectors to foreign investment.”²⁸

This proposal however, faces a significant obstacle created by the sheer scale of investment the international oil industry will need to in order to fulfil anticipated global demand. For example, the Energy Information Administration (EIA) of the U.S. Department of Energy projected that world oil consumption would increase by 1.9 percent annually from 2005 – 2025. According to their statistics the increase in production would primarily be achieved in the Middle East, where OPEC production would have to increase from 28.7 mb/d achieved in 2002 to 52.7 mb/d in 2025 to sustain international demand.²⁹

The Department of Energy does not outline the financial cost that would accompany the rapid increase in Middle Eastern oil production, however Claude Mandil, the Executive Director of the Paris based International Energy Agency declared in 2003, that if present energy trends continue, “the world will need to invest \$16 trillion over the next three decades to maintain and expand energy

²⁷ NEPDG, NEP 2001, chapter 8 pp 4-5.

²⁸ Ibid, chapter 8, p. 5.

²⁹ Department of Energy. Energy Information Administration. *International Energy Outlook 2005*. (Hereinafter cited as DoE/EIA, *IEO 2005*) Electronic document accessed at <http://www.eia.doe.gov/oiaf/ieo/pdf/oil.pdf> on June 7, 2006.

supply.”³⁰ While Mandil’s assertion does not specifically refer to any region, the Middle East, projected to increasingly become the world’s foremost supplier of oil, would predictably need to be the greatest recipient of foreign investment to ensure world oil demand is satisfied. The problem of the massive investments the oil industry needs to increase production is further exacerbated by Middle Eastern regimes being unwilling to allow foreign companies access into their energy sectors. For example, both Kuwait and Saudi Arabia have made it unmistakably clear that they will not repeat the mistakes made in the past by allowing western oil companies to control their states most highly prized resource.³¹

Chapter eight of the NEP also provides an examination of the oil resources of the Caspian Sea Basin and makes more policy recommendations for the Caspian than for any other region. Exploration in the Caspian Sea is continuing and “proven reserves are expected to increase significantly,”³² the report declares optimistically. In view of the potential resources of the Caspian Sea, the NEPDG recommended that the departments of Commerce, Energy and State deepen their “commercial dialogue with Kazakhstan, Azerbaijan and other Caspian states to provide a strong... and stable business climate for energy... infrastructure projects.”³³ Alongside the Middle East; the Caspian Sea, Sub-Saharan Africa and to a lesser extent South America, are viewed by the NEP as the regions where

³⁰ Claude Mandil, remarks over the amount of investment the global oil industry will need in order to satisfy demand in thirty years time as cited in International Energy Agency Press Release ‘World Energy Investment Outlook Sees Need for \$16,000 trillion of Energy Investment through 2030, Highlights Major Challenges in Mobilising Capital’, November 4, 2003. Electronic document accessed at http://www.iea.org/textbase/press/pressdetail.asp?PRESS_REL_ID=107 on June 7, 2006.

³¹ Peters, pp. 1-4.

³² NEPDG, NEP 2001, chapter 8, p. 12.

³³ NEPDG, NEP 2001, chapter 8, p. 13.

America will receive the majority of its imported petroleum from in the future thereby attempting to diversify its suppliers to such an extent that any global oil supply disruptions will only have a marginal effect on the American economy.

With the emphasis in chapter eight of the NEP shifting from the plans for conservation and energy efficiency of the reports initial chapters, to strategies for gaining access to foreign sources of petroleum, the NEP can be viewed as a document outlining a grand strategy for American foreign policy, calling as it does for an integrated effort, led by the president and the secretaries of the relevant departments, to strengthen relationships with oil rich countries and to expand American influence in key oil producing regions of the world.³⁴

Conclusion

While the NEP recommends that America diversify its petroleum suppliers so as to mitigate the vulnerabilities that accompany dependence on a single region for such a vital resource it is impossible to ignore that the Persian Gulf accounts for more than 60 percent of the world's total oil reserves, and this point will be discussed in the following chapter. However the September 11 attacks highlighted the instabilities of the Persian Gulf and the possibility that terrorists or a popular uprising against a ruling regime could result in a massive oil supply disruption with the potential to damage the American economy.

³⁴ Klare, *Blood and Oil*, p. 62.

From 1977 when Jimmy Carter became president, there has been a strong consistency in U.S. foreign policy towards the Persian Gulf, namely that the executive branch of the American government has been willing to use U.S. military might to ensure U.S. interests are preserved. Presidents Carter, Reagan, George H. W. Bush and George W. Bush all have made decisions that strongly impacted upon the Persian Gulf and could have easily been construed as American interference in the internal dynamics of the region. From the time of President Carter, successive U.S. administrations have decided that it is unacceptable to allow critical American interests to be jeopardised without American forces being present to respond to any threat. This factor is clear when viewed in light of Carter's declaration that any aggressive Soviet action towards the Gulf could incite a military reprisal from the United States, President Reagan's involvement in the Iran-Iraq war, President George H. W. Bush's decision to liberate Kuwait from Iraq and President George W. Bush's decision to invade Iraq in 2003. All these decisions were made by Presidents who placed protecting U.S. interests above the risks accompanying the protection of those interests.

CHAPTER FIVE

CASE STUDY ONE: CONTEMPORARY U.S. ACTIONS
IN THE PERSIAN GULF

In May 2001, with the release of the National Energy Policy, the Bush administration committed America to dependency on Persian Gulf oil supplies for the immediate future. While members of Dick Cheney's development group may have shared concerns over the disturbing implications of reliance on Persian Gulf oil, there was no available regional alternative that possessed the amount of oil reserves needed to satisfy increasing American and international demand for petroleum in the future.¹ This chapter examines contemporary U.S. policy in the Persian Gulf and contains three separate case studies analysing U.S. policy towards Iraq, Saudi Arabia and Iran respectively. Following the three case studies will be a section dedicated to evaluating America's relationships and military presence within the smaller regimes of the Persian Gulf, namely Kuwait, Qatar the United Arab Emirates, Bahrain and Oman. The case studies presented in this chapter will allow us to conclude whether the September 11 attacks had a tangible impact on U.S. policy towards the Persian Gulf. The following section of chapter will detail why the Persian Gulf is such a critical component of the international oil industry and will discuss the Gulf's future capabilities so as to be able to assess its future importance.

Dependency on the Persian Gulf

¹ Roberts, p. 74.

The U.S. Department of Energy (DoE) has collected considerable amounts of technical information that reveals how dependent the United States and other net oil importers are going to be on the major Persian Gulf suppliers in the future. When evaluating potential future oil suppliers, two technical factors are considered. The first of these is the amount of proven reserves the country or region has. Proven reserves are the stores of untapped petroleum that have been confirmed to exist and can be extracted from their underground reservoirs with existing technology. While there is speculation that large reservoirs of petroleum may exist somewhere undiscovered – in the inhospitable waters of the deep Atlantic for example – current proven reserves will be the petroleum sources the international community will rely on for the foreseeable future. In the matter of proven reserves, the Persian Gulf is unrivalled for the quantity of reserves available to be extracted. Within the Persian Gulf, the majority of the region's reserves are located in just five states: Iran, Iraq, Kuwait, Saudi Arabia and the United Arab Emirates (UAE), which together possess some 658 billion barrels of untapped petroleum, accounting for 63 percent of the world's known reserves.²

The second technical factor that is considered when evaluating future oil suppliers is the matter of production capacity. In 2002 a number of oil producing nations including the United States, Mexico and Russia extracted larger quantities of petroleum from domestic reservoirs than the majority of the Persian Gulf suppliers as a result of each countries vast experience in the oil extraction

² Klare, *Blood and Oil*, p. 75.

industry. However, the Persian Gulf producers have, in comparative terms, only recently begun extracting their hydrocarbon resources and have yet to develop all of their known fields. Because of this, they should be able to significantly boost production in the future, while older suppliers will face difficulties sustaining their current output levels as older fields mature and become less productive.³ Therefore as domestic reserves are depleted outside of the Persian Gulf, the Gulf producers will continue to supply an increasing amount of total world oil consumption.⁴

The amount of oil the Persian Gulf suppliers produce becomes even more significant when compared with how much petroleum each country requires for internal use. According to DoE statistics, total petroleum consumption by all Middle Eastern countries (including non-producers such as Turkey and Israel) will reach 9.2 million barrels per day by 2025, while output will climb to 42.1 million barrels.⁵ This leaves a total of 32.9 million barrels of oil per day available for export to the oil dependent regions of the world.

Unfortunately for the international oil market, the trend represented in the Middle East is not reflected in other major oil producing regions of the world. For example, the states of Central and South America, excluding Venezuela and Brazil, are projected to increase production from 3.9 million barrels per day in

³ For more information on the subject of oil field maturity and depletion see Heinberg, pp. 95-110.

⁴ Klare, *Blood and Oil*, p. 75.

⁵ DoE/EIA, *IEO 2005*, tables A4 and E1. Electronic documents accessed at http://www.eia.doe.gov/oiaf/ieo/pdf/ieoreftab_4.pdf and http://www.eia.doe.gov/oiaf/ieo/pdf/ieooiltab_1.pdf on June 15, 2006.

2002 to 6.4 million barrels in 2025.⁶ This increase in output would be of significant value to the United States if it were not for the fact that domestic consumption within the region is projected to increase from 5.2 million barrels per day in 2002 to 9.3 million barrels in 2025.⁷ Therefore, in 2025, less South American oil will be available for export to the United States than was available in 2002. This pattern is also reflected in other oil producing regions, most notably Mexico and Latin America, and it is this trend, that disturbingly forecasts increased American dependency on Middle Eastern suppliers in the future.⁸

The Department of Energy's projections cannot forecast precisely how much oil the United States will be able to acquire from certain suppliers in the future, as that amount depends largely on the volatility of the petroleum market and international politics. Furthermore the DoE cannot predict whether the colossal increase in oil imports America will require in the future is achievable, as there are too many variables for the Department to consider, some of which may be currently unknown. Indeed the authors of the *IEO 2005* specifically stress this point, mentioning that their assumptions and projections were based on a stable international environment, and that future disruptions in the oil supply network

⁶ DoE/EIA, *IEO 2005*, tables A4 and E1. Electronic documents accessed at http://www.eia.doe.gov/oiaf/ieo/pdf/ieoreftab_4.pdf and http://www.eia.doe.gov/oiaf/ieo/pdf/ieooiltab_1.pdf on June 15, 2006.

⁷ DoE/EIA, *IEO 2005*, tables A4 and E1. Electronic documents accessed at http://www.eia.doe.gov/oiaf/ieo/pdf/ieoreftab_4.pdf and http://www.eia.doe.gov/oiaf/ieo/pdf/ieooiltab_1.pdf on June 15, 2006.

⁸ Johnson, p. 82.

created by “war, terror, weather [or] geopolitics” were not taken into consideration.⁹

While the National Energy Policy Development Group failed to detail America’s growing dependency on the Middle East, the fact that the majority of America’s oil imports in the future would need to come from the Persian Gulf could not be entirely concealed. The following section will examine how the United States has attempted to enhance its energy security in the major countries of the Persian Gulf, beginning with the case study of Iraq.

Strengthening American dominance in the Gulf: regime change in Iraq

When George W. Bush assumed the presidency in 2001, he inherited the policy of containment towards Iraq implemented by his father George H. W. Bush after the Gulf War of 1991. The containment policy was enforced through the use of economic sanctions and the policing of no-fly zones over southern and northern Iraq which crippled Saddam’s military apparatus but also had a number of adverse results. Firstly, sanctions had seriously damaged all aspects of the Iraqi economy causing large-scale poverty and misery for the citizens of Iraq. This in turn, resulted in decreasing levels of support for the sanctions in the Arab world and while the United Nations initiated its oil for food programme in 1995 in response

⁹ DOE/EIA, *IEO 2005*, ‘World Oil Markets.’ Electronic document accessed at <http://www.eia.doe.gov/oiaf/ieo/oil.html> on June 15, 2006.

to the crisis in Iraq, the damage was so significant that that the Iraqi economy could not be reinvigorated by a sudden influx of capital.¹⁰

The second adverse development created by the containment policy was the effect the sanctions had on the Iraqi energy infrastructure. While the oil for food programme allowed Iraq to export as much petroleum as it could produce with its existing infrastructure, it did not allow foreign investment in Iraq's production facilities or the development of previously untapped reserves. The sanctions also prevented the Iraqi Energy Ministry from importing the necessary machinery required to upgrade obsolete infrastructure and increase oil output. In July 1990 Iraq's daily oil production had peaked at 3.5 million barrels. However Iraq's energy infrastructure deteriorated markedly under the sanctions imposed upon it and in 2002, Iraqi production had slumped to approximately 2.2 mb/d.¹¹

As was discussed in Chapter Four, the National Energy Policy identified two major policy objectives for the Bush administration to pursue in the Persian Gulf. The first of these was for the administration to support Persian Gulf producers to substantially increase production, and the second objective was to create a secure environment in the region that was more conducive to attracting foreign investment. It is also important to note that the NEP advocated a comprehensive examination of the sanctions America was involved in with U.S. energy security

¹⁰ Rutledge, pp. 22-37.

¹¹ William Clark, *Petrodollar Warfare: Oil, Iraq and the Future of the Dollar*, Canada: New Society Publishers, 2005, p. 63.

being the primary factor considered in any review.¹² An indirect reference perhaps, to the major oil producers: Iraq and Iran whom America at the time of the drafting of the NEP, maintained sanctions against.

Saddam Hussein's Iraq was undermining both of these major policy objectives the National Energy Policy Development Group had recommended in their 2001 report. Saddam was taking advantage of the decreasing international support for the sanctions to strengthen his regime thereby enhancing the threat to the security of the region. The sanctions were also preventing Saddam Hussein from acquiring the necessary machinery and materials Iraq's energy infrastructure required in order to increase output and assist in satisfy rising international demand for petroleum.¹³

Consequently, the Bush administration faced a serious policy dilemma with regards to Iraq. The option of abandoning sanctions against Iraq altogether was dismissed because it would represent a victory for Saddam Hussein and would weaken American interests in the Gulf. The two sides that emerged in the policy debate within the Bush administration over Iraq were those that favoured a military invasion of Iraq and those that supported diplomatic efforts and perhaps a revision of the sanction regime. The most influential U.S. officials who supported an invasion of Iraq were vice president Dick Cheney, then secretary of defence Donald Rumsfeld and then assistant secretary of defence Paul Wolfowitz. These

¹² NEPDG, NEP 2001, chapter 8, p. 6.

¹³ Klare, *Blood and Oil*, p. 96.

officials, amongst others had indicated their support for an invasion of Iraq before George W. Bush was elected having signed a highly publicised letter to Bill Clinton advocating a more bellicose approach towards Iraq.¹⁴ The most forcible opponent of military action was then secretary of state Colin Powell who advised that there would be an international backlash over any possible invasion.¹⁵ President Bush eventually decided to remove the existing sanctions regime and adopt Powell's proposal for "smart sanctions" that would directly target Iraq's leadership and military and would lift restrictions on basic commodities – thereby bringing relief to the general population of Iraq.¹⁶

According to Powell, the use of smart sanctions against Iraq would reduce widespread Arab resentment of the existing system he told the Senate Foreign Relations Committee in March 2001 as the smart sanctions would "eliminate those items in the sanctions regime that really were of civilian use and benefited people... and focus [the sanctions] on weapons of mass destruction." Such a system, he argued, would isolate the regime of Saddam Hussein and engender more international support as it didn't target the civilian population of Iraq.¹⁷

Powell's proposal for adopting smart sanctions against Iraq was being reviewed by various members of the United Nations Security Council when the attacks on

¹⁴ The letter from the Project for a New American Century to Bill Clinton, electronic document accessed at <http://www.newamericancentury.org/iraqlintonletter.htm> on June 19, 2006.

¹⁵ Jeffrey Record, *Dark Victory: America's Second War Against Iraq*, Annapolis: Naval Institute Press, 2004, p. 28; Bob Woodward, *Bush at War*, New York: Simon & Schuster, 2002, p. 48.

¹⁶ Klare, *Blood and Oil*, p. 97.

¹⁷ Colin Powell, testimony before the Senate Foreign Relations Committee on March 8, 2001 as cited in *Ibid*, p. 97.

the twin towers and the Pentagon took place on September 11, 2001. In the aftermath of the terrorist attacks, a military invasion of Iraq was discussed by members of the National Security Council at Camp David on September 14 and during subsequent meetings in the White House even though the U.S. intelligence establishment had failed to identify any links between Saddam Hussein's regime and al-Qaeda.¹⁸ President Bush was initially reluctant to invade Iraq and instead supported military action against the Taliban in Afghanistan who supported Osama bin Laden and his terrorist network. However, in early 2002, Bush chose to support plans for military action against Iraq and the United States along with its allies ultimately invaded Iraq on March 20, 2003, without the legitimacy conferred by a United Nations resolution.¹⁹

In the lead up to the invasion, senior administration officials made a large number of public speeches that outlined the Bush administration's rationale for an invasion of Iraq, rationale which broadly centred on Saddam Hussein's pursuit of Weapons of Mass Destruction (WMD) and mistreatment of his people. However, Vice President Dick Cheney made only one speech on Iraq to the Veterans of the Korean War on August 29, 2002, which is highly significant as he was viewed at

¹⁸ For an authoritative account of the Bush administrations actions following the September 11 terrorist attacks see Woodward, *Bush at War*.

¹⁹ It is not within the scope of this thesis to examine the political manoeuvring that occurred within the Bush administration in the lead-up to the invasion of Iraq, nor is it the purpose of this study to evaluate and critique the creation of the Bush doctrine and the principle of pre-emptive warfare. For evaluations of the Bush administration's decision to invade Iraq and the diplomatic and political ramifications that occurred as a result see Ivo Daalder, James Lindsay, *America Unbound: The Bush Revolution in Foreign Policy*, Washington D.C: Brookings Institution Press, 2003; Arthur M. Schlesinger Jr, *War and the American Presidency*, New York: W. W. Norton & Company, 2004.

the time as Bush's most influential advisor.²⁰ "Should all [of Saddam Hussein's WMD] ambitions be realised, the implications would be enormous for the Middle East, the United States and for the peace of the world" Cheney emphatically declared. "Armed with an arsenal of these weapons of terror and a seat atop 10 percent of the world's oil reserves, Saddam Hussein could be expected to seek domination of the entire Middle East [and] take control of a great portion of the world's energy supplies."²¹ Cheney's address outlines the principle of energy security that motivated the 2003 invasion of Iraq, in many ways his speech is a continuation of the National Energy Policy, where he, as the report's principal author, declared that energy security *must* become a priority of American trade and foreign policy.²²

Before the invasion was launched intricate plans were created for the seizure of Iraq's oil infrastructure before significant damage could be done to it by retreating Iraqi forces. For example when U.S. forces captured Baghdad the oil ministry was the only institution to be protected by U.S. Marines and was the only institution that survived the ensuing chaos intact. American forces were not ordered to protect the Iraqi National Museum which was destroyed and looted nor were they ordered to protect the National Library where priceless manuscripts were stolen.²³

However protecting Iraq's oil establishment was only the beginning of the

²⁰ Klare, *Blood and Oil*, p 99.

²¹ Dick Cheney, speech before the Veterans of the Korean War where he outlined the threat Hussein would pose if he acquired Weapons of Mass Destruction and controlled a significant portion of the world's oil. Electronic document accessed at <http://www.whitehouse.gov/news/releases/2002/08/20020829-5.html> on June 21, 2006.

²² NEPDG, NEP 2001, chapter 8, p. 4. (Emphasis added.)

²³ Johnson, p. 234.

detailed plans for how to take control of Iraqi oil facilities and ensure their continued productivity. According to Chip Cummins of the *Wall Street Journal* select American and British combat engineers were being trained in oil field maintenance and basic oil field procedures.²⁴ Alternatively while this factor has often been attributed to an American effort to seize control of Iraq's oil to protect their own interests it can also be argued that American efforts to protect Iraq's most valuable industry were attempts to ensure that Iraq would be able to recover economically and rebuild its severely damaged infrastructure.

Despite the training and deployment of combat forces to protect and maintain Iraq's oil fields and facilities, key elements of Iraq's dispersed oil infrastructure were damaged in the looting and violence that followed the removal of Saddam Hussein. As a result of this, American contract personnel faced serious difficulties restoring Iraq's oil fields to production.²⁵ Before the 2003 invasion it was widely publicised that with Saddam removed from power Iraq's oil production could potentially double up to perhaps 6 mb/d. However the inability to conduct engineering repairs in Iraq's largest reservoirs through the period of U.N. sanctions resulted in severe and perhaps permanent damage to Iraq's two largest fields, and possibly others as well. For example, in 2001 and 2003 it was reported that Iraqi engineers were re-injecting oil back into the giant Kirkuk field in an

²⁴ Chip Cummins, 'Iraq: Oil Companies Aid Military Planners, Industry Avoids Publicity About Its Role in Teaching Troops to Operate Iraq Wells', *Wall Street Journal*, March 27, 2003. Electronic document accessed at <http://www.corpwatch.org/article.php?id=11212> on June 21, 2006.

²⁵ Clark, p 42.

attempt to maintain reservoir pressure.²⁶ As oil fields mature, the internal pressure within the reservoir drops, large amounts of oil or water can be injected back into the reservoir in order to maintain pressure but this engineering technique is not a long-term solution and eventually the field's output collapses.²⁷

If the reports on the damage sustained by Iraq's oil fields during the U.N. sanction period are even partially accurate, Iraq's oil production capability may never reach the 5-6 million barrels per day that was optimistically forecast before the invasion. Indeed a U.N. report conducted after the invasion addressed the issue of Iraq's damaged reservoirs and claimed that it may now be possible to recover only 15 – 25 percent of the oil in Iraq as a result of poor Iraqi engineering techniques²⁸ Furthermore, a number of geologists have begun arguing that Iraq's proven oil reserves figure of 112.5 billion barrels needs to be reduced to take into account the damage Iraq's giant reservoirs have sustained. Despite these factors, the U.S. Department of Energy has optimistically projected that Iraqi production will more than double in the near future, from 2.3 mb/d in 2003 to 5.5 mb/d in 2030; the DoE has also endorsed an increase in Iraq's proven reserves figure from the often cited figure of 112.5 billion barrels to 115 billion barrels.²⁹

²⁶ Clark, pp. 63-64.

²⁷ For more information on the engineering process of maintaining reservoir pressure while sustaining oil production see Matthew Simmons, *Twilight in the Desert: The Coming Saudi Oil Shock and the World Economy*, New Jersey: John Wiley & Sons Inc, 2005.

²⁸ United Nations Iraqi Oil Reservoir report, as cited in Clark, p. 65.

²⁹ DOE/EIA, IEO 2005, electronic document accessed at http://www.eia.doe.gov/oiaf/ieo/pdf/ieooiltab_1.pdf on June 22, 2006.

However, even the amount of oil Iraq's reservoirs can physically produce is inconsequential if that oil cannot reach distant markets. Once Iraqi oil fields were back in operation the officials in charge of Iraq's oil production faced another challenge: sabotage of the country's dispersed pipelines and pumping stations. According to the Institute for the Analysis of Global Security there have been at least 314 attacks on oil pipelines, installations and personnel from June 2003 to May 2006 costing the Iraqi government billions of dollars in lost revenue.³⁰ Attacks on pipelines and oil installations are used by insurgents for ideological reasons and to undermine the government but are also being conducted by organised criminal gangs who sabotage pipelines to force oil to be delivered in trucks which are then stolen and the oil sold on the black market.³¹

The prevalence of attacks on Iraq's oil infrastructure is seriously hampering Iraqi efforts to entice the major oil companies to become involved in Iraq's oil production network. According to recent statistics, Iraq's oil production is currently 1.8 mb/d compared with 2.5 mb/d before the invasion.³² Although American combat forces are protecting two main components of Iraq's oil infrastructure: the Kirkuk-to-Ceyhan export pipeline in the north and offshore loading terminals on the edge of the Persian Gulf, the Department of Defence

³⁰ Iraq Pipeline Watch, Attacks on Iraqi pipelines, oil installations and oil personnel. Electronic document accessed at <http://www.iags.org/iraqpipelinewatch.htm> on June 22, 2006.

³¹ James Glanz, Robert Worth, 'Attacks on Iraq's Oil Industry Aid Vast Smuggling Scheme', *New York Times*, June 4, 2006. Electronic document accessed at <http://www.nytimes.com/2006/06/04/world/middleeast/04smuggle.html?ex=1307073600&en=5c97401e048b026dei=5088partner=rssnytemc=rss> on June 22, 2006.

³² Peter Kiernan, 'Iraq's oil: A neo-con dream gone bust', *Asia Times*, May 17, 2006. Electronic document accessed at http://www.atimes.com/atimes/Middle_East/HE17Ak01.html on June 22, 2006.

working in conjunction with the Iraqi oil ministry has been unable to increase production.

It can be argued that the current security environment in Iraq may be more unstable than what it was before the 2003 invasion when Saddam was still in power. Insurgent attacks and sectarian violence are commonplace even in Baghdad where there is a sizable coalition force. Enhancing Iraq's internal security so oil production can reach pre-invasion levels is clearly of importance to the Bush administration. In order to stabilise Iraq, American forces will need to remain stationed there for the foreseeable future and the Pentagon has reportedly been building four strategically located air bases for that purpose to house the thousands of U.S. soldiers expected to serve in Iraq.³³ Furthermore, while Iraq may no longer be a threat to her neighbours the internal violence in Iraq has the possibility to expand into neighbouring regimes that may result in further destabilisation of the entire region and may possibly result in a region wide decrease in oil output. Continuing on with the theme of concerns over external stability the following section will contain a case study of American policy towards Saudi Arabia and will discuss the importance of Saudi to the international oil market.

The strategic problem posed by Saudi Arabia

³³ Johns, p. 242.

In the wake of the September 11 attacks, the release of the information that the majority of the hijackers were Saudi Arabian nationals presented a serious challenge to the Bush administration. If the administration assumed a confrontational stance towards Saudi Arabia it could have damaged relationships with one of America's most important oil suppliers and resulted in increased resentment towards the United States in the country that holds the world's largest oil reserves. Alternatively, apathy from the administration towards Saudi Arabia could have been construed as a sign that the administration feared potential Saudi repercussions. International energy expert Paul Roberts surmised the strategic problems inherent in America's relationship with Saudi Arabia when he observed that while the United States may regard Saudi Arabia, with its anti-Western views and its ties to Islamic terrorist elements, as a legitimate political enemy, the kingdom's vast oil wealth has ensured that Washington overlooked such criminal behaviour.³⁴

On August 6, 2002, the problems posed by Saudi Arabia reached the public's attention when the *Washington Post* revealed that a consultant to the Defence Policy Board – a high level advisory board comprised of prominent intellectuals and former senior officials – had identified Saudi Arabia as an enemy of the United States and proposed the seizure of Saudi financial assets, including its oil fields, if the regime did not sever ties with Islamic terrorism. According to the *Post*, Laurent Murawiec, a Rand Corporation analyst, accused Saudi officials of supporting terrorist attacks against the United States and U.S. interests. "Saudi

³⁴ Roberts, p. 286.

Arabia supports our enemies and attacks our allies,” Murawiec declared to the board, furthermore the Saudis are also “active at every level of the terror chain, from planners to financiers, from cadre to foot-soldier, from ideologist to cheerleader,” the explosive briefing stated.³⁵ Murawiec’s presentation reportedly received strong support from prominent Republicans who attended the meeting leading to speculation that key officials of the Bush administration viewed Saudi Arabia as an enemy. That a number of leading conservatives would support a critical analysis of Saudi Arabian policy represented the changing views on Saudi Arabia that accompanied the post September 11 revelations that members of the Saudi royal family had subsidised some of the charities that had links to al-Qaeda.³⁶

Even though a number of leading Republicans supported the idea of viewing Saudi Arabia as an enemy, the White House quickly disassociated itself from Murawiec’s recommendations. However notwithstanding administration efforts to distance themselves from Murawiec’s proposals the *National Security Strategy* (NSS) released on September 17, 2002, further complicated the U.S. - Saudi relationship. This complication arose as one of the stated goals of the NSS was for the United States to actively spread democracy around the world, thereby presenting a direct challenge to the Saud royal family who rules Saudi Arabia.³⁷

³⁵ Thomas Ricks, ‘Briefing Depicting Saudis as Enemies: Ultimatum Urged to Pentagon Board’, *Washington Post*, August 6, 2002. Electronic document accessed at <http://www.washingtonpost.com/ac2/wp-dyn/A47913-2002Aug5?language=printer> on July 4, 2006.

³⁶ Klare, *Blood and Oil*, pp 84-85.

³⁷ The National Security Strategy of the United States, Washington D.C: The White House, September 17, 2002. p. 4.

However there is the distinct possibility that the Bush administrations strategy of encouraging democracy in the Middle East may hasten the collapse of the Saudi regime and if a democratically elected government replaces it, it may very well be hostile towards America, thereby threatening America's second largest petroleum supplier.³⁸

The reaction of the White House to Muraweic's presentation and the tensions that arose between Washington and Saudi Arabia as a result of the release of the NSS (2002) revealed a level of apprehension within the administration towards Saudi Arabia that did not accurately reflect the criticisms directed towards the Saudi regime. The administration's concern over Saudi Arabia can be traced to secret U.S. intelligence data suggesting that Saudi Arabia was becoming inherently unstable. Although the secret data that prompted the administration's concerns over Saudi Arabia has never reached the public domain, it is evident from prominent newspapers that senior intelligence officials at the Central Intelligence Agency and the National Security Agency were concerned that domestic unrest within Saudi Arabia threatened the stability of the kingdom.³⁹

According to U.S. analysts, Saudi Arabian society was becoming increasingly unstable as a result of social, economic, political and religious tensions.⁴⁰ A large part of these tensions derive from the sharp rise in population experienced within

³⁸ Johnson, p. 309.

³⁹ For background and discussion on the American intelligence establishment's concerns over the stability of Saudi Arabia see Seymour M. Hersh, 'King's Ransom', *New Yorker*, October 22, 2001. Electronic document accessed at http://www.newyorker.com/fact/content/articles/011022fa_FACT1 on July 10, 2006.

⁴⁰ Michael Scott, 'The Saudi Paradox', *Foreign Affairs*, volume 83: issue 1, January/February 2004.

the kingdom: in 2002, 75 percent of Saudi citizens were under the age of thirty while 50 percent of the total population were under the age of eighteen.⁴¹

Furthermore, the population of Saudi Arabia is growing at a rate of 2.18 percent annually resulting in a staggering 38.2 percent of the population being under the age of fourteen and these figures are projected to continue rising in the future as birth control measures are seen as being contrary to Islamic teachings.⁴²

The result of having such a high concentration of young people within Saudi Arabia is an intensification of the economic problems confronting the kingdom where per capita income has dropped from \$28 600 in 1981 (when it was approximately equivalent to that of the per capita income in the United States) to \$6 800 in 2001, in comparison the average per capita income in Qatar in 2001 stood at \$26 000 while in Abu Dhabi it reached \$36 000.⁴³ Exacerbating this economic problem is the secondary problem of Saudi Arabia's rigid social rules whereby the people of Saudi Arabia are unable to spend time with the opposite sex. As unemployment has increased as a result of the kingdom's population growth a substantial proportion of the well educated population of Saudi Arabia are unable to find productive ways to occupy themselves resulting in significant levels of discontent being experienced within Saudi society. This discontent also provides religious or political extremist groups with opportunities to recruit

⁴¹ Klare, *Blood and Oil*, p. 97.

⁴² Eric Rouleau, 'Trouble in the Kingdom', *Foreign Affairs*, volume: 81 issue 4, July/August 2002. For more information on the demographics of Saudi Arabia see the CIA World Fact Book: Saudi Arabia. Electronic document accessed at <http://www.cia.gov/cia/publications/factbook/geos/sa.html#People> on July 11, 2006.

⁴³ Rouleau, p. 12.

dissatisfied young men into their organisations thereby threatening the security of the regime and the Middle East as a whole.⁴⁴

Therefore ensuring the stability of Saudi Arabia, America's second largest oil supplier became a priority for the Bush administration. However this presented a broad challenge to the administration largely as a result of the anti-American perceptions of the population of Saudi Arabia.⁴⁵ Eric Rouleau in his article on Saudi Arabia in *Foreign Affairs* in 2002 identified two major issues that generate anti-American sentiments within the kingdom: the first of which is the deterioration of the Israeli-Arab situation and the suffering of the Palestinian people which Saudi Arabians blame Israel and as an extension Washington for, and the second issue is the presence of American bases on Saudi Arabian territory which is regarded in the Muslim world as sacred as the Saudi monarchy is entrusted with the defence of Mecca and Medina (the Muslim world's holiest sites).⁴⁶

Together these factors were amounting to the sources of the discontent that was being experienced within the kingdom. Unfortunately for the administration policy options for the administration were extremely limited. One possibility was for the White House to take military action against the kingdom and replace the Saud royal family with a carefully selected successor regime, and with fifteen of the nineteen September 11 hijackers being Saudi Arabian citizens the

⁴⁴ Rouleau, pp. 9-13.

⁴⁵ Gause III Gregory, 'Saudi Arabia Over a Barrel', *Foreign Affairs*, volume 79: issue 3, May/June 2000.

⁴⁶ Rouleau, pp. 1-4.

administration may, perhaps, have had stronger a stronger rationale for an invasion than that which was presented for the invasion of Iraq.⁴⁷ However this option was deemed unworkable as influential Saudi's have developed strong relationships with prominent Republican politicians, including the two Bush presidents.⁴⁸ In addition the removal of the House of Saud from power within Saudi Arabia could unleash potent social forces within the Arab community and perhaps lead to the rise of an anti-American regime that may well have imposed a petroleum embargo on America as a reprisal for U.S. support of Israel.⁴⁹ This, in turn, may have resulted in U.S. military operations in Saudi Arabia designed to seize control of the oil fields located in the eastern part of the kingdom, and such an intervention, resounding, as it would, of an imperial conquest may well have created an international furore with the potential to seriously damage U.S. geopolitical interests.⁵⁰ Therefore the Bush administration was left with no available alternative other than attempting to address the sources of discontent within Saudi Arabia with the intention of creating a more stable environment within the kingdom. In order to stabilise Saudi Arabia the U.S. would have to remove its combat forces from Saudi Arabian territory and resolve, at least partially, the Israeli-Arab dispute.

The need to vacate its military bases in Saudi Arabia presented America with a broad strategic challenge. While Saddam Hussein remained in power in Iraq, the

⁴⁷ Klare, *Blood and Oil*, p. 89.

⁴⁸ For more information of the relationships between senior Republicans and the Saudi royal family see Craig, Unger, *House of Bush, House of Saud*, New York: Scribner Press, 2004.

⁴⁹ Johnson, p. 309.

⁵⁰ Heinberg, p. 213.

security environment within the Persian Gulf was potentially unstable, and U.S. forces needed to remain in the region to prevent or react to any hostilities originating in Baghdad. Despite this, the U.S. had numerous bases within the Persian Gulf and access to vast amounts of depots and airfields within the wider Middle East.⁵¹ However, none of the facilities the U.S. had access to could compare with the facilities the U.S. had constructed in Saudi Arabia. Therefore the policy options available to the administration were abandoning the containment strategy and removing its combat forces from Saudi Arabia and allowing Saddam Hussein to claim a tacit victory or removing Saddam's regime and building new bases within Iraq. It is impossible to know how important this issue was in influencing the decision to invade Iraq but it would clearly have been a factor in the months following the September 11 attacks while the administration searched for an explanation as to why America had been targeted by the al-Qaeda network.⁵²

In an apparent resolution to the tensions created by American combat forces on Saudi Arabian soil, Donald Rumsfeld flew to Riyadh less than two months after the beginning of the U.S. led invasion of Iraq and publicly announced that the Pentagon was closing its bases and removing its military forces from the kingdom. Saudi Arabia "is now a safer region because of the change of regime in Iraq," he told reporters on April 29, 2003, and with Operation Southern Watch (the enforcement of the no-fly zone over Iraq) now being unnecessary "the

⁵¹ Johnson, pp. 237-253.

⁵² Klare, *Blood and Oil*, p. 90.

aircraft involved will be able to leave.”⁵³ The departure of U.S. military forces began shortly after Rumsfeld’s announcement and by the end of September 2003 they had all been redeployed. The withdrawal of the Americans attracted very little media attention in Saudi Arabia where a senior Saudi official commented that “it was if they were never here.”⁵⁴

In deciding to withdraw American combat forces from Saudi Arabia, the administration was not ending direct military ties with the kingdom, nor was it reducing its commitment to protect the kingdom and its oil fields from internal or external threats. The Department of Defence still maintains a significant training mission in Saudi Arabia and American defence contractors continue to provide technical support to the Saudi Arabian National Guard and other Saudi combat units.⁵⁵ The sophisticated air command centre the U.S. military developed at Prince Sultan air base is not going to be abandoned entirely by the Pentagon, instead, the base will revert to “warm” status to be used for overseeing military exercises and where it can be reactivated if there is a future crisis.⁵⁶

Furthermore, the departing American combat forces did not withdraw from the region entirely, instead they redeployed to nearby Qatar to the multi billion dollar

⁵³ Donald Rumsfeld, remarks over how the 2003 invasion of Iraq enabled America to withdraw its forces from Saudi Arabia as the region had become more stable as cited in a Department of Defence press conference with Prince Sultan. Electronic document accessed at <http://www.defenselink.mil/transcripts/2003/tr20030429-secdef0134.html> on July 13, 2006.

⁵⁴ Don Van Natta Jr, ‘Last American Combat Troops Quit Saudi Arabia’, *New York Times*, September 22, 2003. Electronic document accessed at <http://select.nytimes.com/gst/abstract.html> on July 13, 2006.

⁵⁵ Klare, *Blood and Oil*, p 91.

⁵⁶ Michael Gordon, Eric Schmitt, ‘U.S. Will Move Air Operations to Qatar’, *New York Times*, April 28, 2003. Electronic document accessed at <http://newsmine.org/archive/war-on-terror/mideast-misc/move-air-operations-to-qatar.txt> on July 14, 2006.

al-Udeid air base where Central Command has created a new command centre and operations facility. Major General Victor E Renuart, Central Command's Director of Operations observed that relocating the command centre to al-Udeid could be a positive strategic move for the U.S. military as it looks to find a location that will be maintainable in the future. The U.S. military "doesn't need a Combat Air Operations Centre designed to fly 3 000 missions if you're only flying a few hundred," he told reporters when commenting on the redeployment of U.S. forces to Qatar.⁵⁷

Resolving the second major cause of discontent in Saudi Arabia, the ongoing conflict between Israel and the Palestinians, would prove to be even more of an obstacle to overcome than the issue of military bases had been for the administration. This is because President Bush has not been as actively involved in attempting to resolve the Israeli-Arab dispute as some of his predecessors. Prince Abdullah, a month before the September 11 attacks warned President Bush about rising Saudi sentiments over the Israeli-Arab dispute and asked the president to intervene in the Middle East and to help bring about a "balanced" settlement to the conflict. These warnings were treated with scepticism in Washington and led the prince, in an unprecedented gesture, to refuse an invitation to visit President Bush at the White House.⁵⁸ Indeed it was Prince

⁵⁷ Victor E. Renuart, remarks over the major redeployment of American military personnel from Saudi Arabia to Qatar as cited in Michael Gordon, Eric Schmitt, 'U.S. Will Move Air Operations to Qatar', Electronic document accessed at <http://newsmine.org/archive/war-on-terror/mideast-misc/move-air-operations-to-qatar.txt> on July 14, 2006.

⁵⁸ Rouleau, pp. 1-3.

Abdullah's concerns over Washington's refusal to become involved in the conflict that led the prince to launch his own peace initiative in February of 2002.⁵⁹

Abdullah's proposal offered Israel full acceptance and recognition by all the Arab states if Israel resolved the refugee problem in accordance with United Nations resolutions and agreed to dismantle her settlements and withdraw her military forces to the borders established in 1967 by the United Nations.⁶⁰ President Bush personally endorsed the roadmap which also received wide support from the international community. Ariel Sharon, then prime minister of Israel also supported the proposal albeit with fourteen reservations insisted upon by the Israeli cabinet. The Palestinians also had reservations about the roadmap to peace although they were not expressed in as formal a manner.⁶¹

Although Prince Abdullah's proposal had been endorsed by both belligerents the roadmap encountered difficulties almost immediately as the ceasefire that was its initial clause never became a reality. While Prince Abdullah's peace initiative seems to have failed, it is only the most recent peace process to collapse between the Israelis and the Palestinians in a line that can be traced back to the Oslo Accords that were signed on the White House lawn in September 1993.⁶² Despite

⁵⁹ For the State Department's full text of the Road Map titled: 'A Performance Based Roadmap to a Permanent Two State Solution to the Israeli-Palestinian Conflict' see electronic document accessed at <http://www.state.gov/r/pa/prs/ps/2003/20062.htm> on July 17, 2006.

⁶⁰ William Quandt, *Peace Process: American Diplomacy and the Arab-Israeli Conflict Since 1967*, Washington D.C: Brookings Institution Press, 2005, pp. 397-398.

⁶¹ *Ibid*, p. 402.

⁶² For more information and a discussion on the numerous failures of peace initiatives between Israel and Palestine see Edward W. Said, *From Oslo to Iraq and the Road Map*, New York: Pantheon Books, 2005;

this, U.S. interests in stabilising Saudi Arabia demand that America involve itself in the Israeli-Arab dispute and attempt to address the grievances of the Palestinians in an effort to reduce Saudi anger over the Palestinians plight which is directed at the United States and the Saudi monarchy. While the dispute between Israel and Palestine has geopolitical implications far beyond the domestic situation in Saudi Arabia, the Bush administration is supportive of an eventual two-state resolution to the problem and is thereby assisting in stabilising the kingdom internally and maintaining a strong strategic alliance between America and Saudi Arabia that has existed from World War II.⁶³

Despite U.S. initiatives to enhance the internal stability of Saudi Arabia the kingdom still remains balanced precariously between anarchy and the level of stability the monarchy and the Bush administration desire. The May 2003 bombings in Riyadh and the second round of attacks against the regime the following spring underscored the point that there are still strong forces opposing the survival of the House of Saud. In the aftermath of the bombings Prince Abdullah declared that “there is no place for terror” in Saudi Arabia while another Saudi official remarked that the attacks were in effect “a declaration of war” from the terrorist organisation.⁶⁴ Indeed in the days following the attacks the regime

Noam Chomsky, *Fateful Triangle: The United States, Israel and the Palestinians*, Cambridge: South End Press, 1999.

⁶³ Klare, *Blood and Oil*, p. 91.

⁶⁴ Prince Abdullah and Saudi official cited in ‘U.S. Worried About More al-Qaeda Attacks,’ CNN News World. Electronic document accessed at <http://www.cnn.com/2003/WORLD/meast/05/13/saudi.blast/index.html> on July 17, 2006.

finally began to impose tough controls on charities and religious organisations that were suspected of funding terrorist networks.

Nevertheless, the withdrawal of American military forces from the kingdom has eased at least some of pressure on the regime. However any further progress demands a decrease in the intensity of the Israeli-Arab dispute and the establishment of a comparatively open political system within Saudi Arabia which itself requires the success of the pro-reform faction in the anticipated succession struggle that is expected to take place following the death of King Fahd.⁶⁵

Regardless of how exasperated American officials may become over the ponderous rate of progress in Saudi Arabia, the Bush administration and future administrations cannot afford to isolate the regime while America is so dependent on imported petroleum from Saudi Arabia, and as this thesis has argued, American dependence on Saudi Arabian petroleum is projected to only increase in the future, exacerbating America's dependency predicament while also demanding stronger ties to the House of Saud. Expert opinion over whether Saudi Arabia has large enough petroleum reserves to satisfy future international demand is divided, however, even if the kingdom's reserves are vast enough to fulfil rising demand there is considerable doubt over whether the kingdom can make the necessary infrastructure improvements that will be required.⁶⁶ Only in an

⁶⁵ Klare, *Blood and Oil*, p. 93.

⁶⁶ Jeff Gerth, 'Forecast of Rising Oil Demand Challenges Tired Saudi Fields', *New York Times*, February 24, 2004. Electronic document accessed at <http://www.peakoil.net/Newspapers/20040224NYTTiredSaudiFields.doc> on July 19, 2006. For a

internally stable political environment can the required investments be procured and the process of upgrading Saudi Arabia's oil production capabilities begin, and it is this environment, that Washington is going to serious efforts to ensure.⁶⁷

While the internal stability of Saudi Arabia is very important to the Bush administration, it is Iran's policies that are proving to be the biggest obstacle America is confronting in the region as it seeks to stabilise the region, the following section will contain a case study of American policy towards Iran.

The threat to the oil distribution network in the Straits of Hormuz: America's options for confronting a defiant Iran

From February 2002 when President Bush included Iran in the "axis of evil" in his State of the Union address along with Iraq and North Korea, the already frigid relationship between America and Iran has steadily deteriorated.⁶⁸ In subsequent State of the Union addresses the rhetoric President Bush has espoused towards Iran has grown increasingly antagonistic. In his 2004 address President Bush demanded that Iran meet its commitments to the international community and refrain from developing nuclear weapons.⁶⁹ In his 2005 address Bush labelled Iran as "the world's primary state sponsor of terrorism – pursuing nuclear weapons

pessimistic view of whether Saudi Arabia can meet future international demand see Simmons, *Twilight in the Desert*. For a more optimistic view see Sarah Emerson, 'Resource Plenty', *Harvard International Review*, Summer, 1997.

⁶⁷ Klare, *Blood and Oil*, p. 94.

⁶⁸ President Bush's 2002 State of the Union Address. Capitol Hill. Washington D.C. January 29, 2002. Electronic document accessed at <http://www.whitehouse.gov/news/releases/2002/01/20020129-11.html> on July 19, 2006.

⁶⁹ President Bush's 2004 State of the Union Address. Capitol Hill. Washington D.C. January 20, 2004. Electronic document accessed at <http://www.whitehouse.gov/news/releases/2004/01/20040120-7.html> on July 19, 2006.

while depriving its people of the freedom they seek and deserve,” and further declared that the United States would stand by the Iranian people as they stand for liberty.⁷⁰ During his 2006 State of the Union address President Bush confronted Iran with the most powerful rhetoric since the ‘Axis of Evil’ declaration. Iran is “a nation now held hostage by a small clerical elite that is isolating and repressing its people,” Bush announced. Furthermore, “the Iranian government is defying the world with its nuclear ambitions, and the nations of the world cannot permit the Iranian regime to gain nuclear weapons.” Finally President Bush declared that the United States respects the citizens of Iran and respects their rights to choose their own future and win their own freedom.⁷¹

The Bush administration’s long-term objective in Iran is a change from a regime that supports terrorism and arguably seeks nuclear weaponry to a government that supports America and opens the country’s state-owned oil industry to foreign investment. While the administration has pursued a change in regime as much as possible, Iran has very few similarities with pre-invasion Iraq and so the White House has been forced to adopt a less hostile position towards the current regime.⁷² The divergence between US policy towards Iraq and US policy towards Iran was reflected in a speech by Zalmay Khalilzad – currently the U.S. ambassador to Iraq – in 2002 where he emphasised that America would not be

⁷⁰ President Bush’s 2005 State of the Union Address. Capitol Hill. Washington D.C. February 2, 2005. Electronic document accessed at <http://www.whitehouse.gov/news/releases/2005/02/20050202-11.html> on July 19, 2006.

⁷¹ President Bush’s 2006 State of the Union Address. Capitol Hill. Washington D.C. January 31, 2006. Electronic document accessed at <http://www.whitehouse.gov/news/releases/2006/01/20060131-10.html> on July 19, 2006.

⁷² Klare, *Blood and Oil*, p. 105.

militarily seeking a regime change in Iran. "U.S. policy is not to impose change on Iran but to support the Iranian people in their quest to decide their own destiny," Khalilzad declared.⁷³ This statement, made before America became embroiled in hostilities in Iraq, becomes more significant as the prospect of the United States engaging in another war designed at regime change seems unlikely given the problems confronting the American military in Afghanistan and Iraq.⁷⁴

In many respects, the tensions that have arisen between Washington and Tehran are reminiscent of the concerns the administration had over Saddam Hussein's Iraq: primarily an anti-American agenda that Washington believes includes Iran actively supporting terrorist activities and determinedly seeking to manufacture nuclear weaponry.⁷⁵ U.S. officials also believe that Iran is sheltering senior al-Qaeda operatives sought by America in connection with terrorist attacks directed against U.S. citizens and interests.⁷⁶ The question of whether America may invade or attack Iran is becoming increasingly discussed as America has recently moved another Carrier Battle Group into the Persian Gulf and both sides of the argument whether any attack is likely will be considered later in this chapter.⁷⁷

⁷³ Zalmay Khalilzad, U.S. Department of State, 'Senior US Official Spells Out Dual Track U.S. Policy Towards Iran', August 2, 2002. Electronic Document accessed at <http://www.globalsecurity.org/wmd/library/news/iran/2002/iran-020802-usia01.htm> on July 24, 2006.

⁷⁴ Paul Rogers, 'The Next Iran War', Open Democracy, 16 February, 2006. Electronic document accessed at http://www.opendemocracy.net/conflict/war_iran_3274.jsp on July 24, 2006.

⁷⁵ Klare, *Blood and Oil*, pp. 105-106.

⁷⁶ Jim Lobe, 'Divisions over the Road to Tehran: Who's Next? Iran or al-Qaeda?', *Counterpunch*. August 14, 2003. Electronic document accessed at <http://www.counterpunch.org/lobe08142003.html> on July 24, 2006; Steven Weisman, 'U.S. Demands That Iran Turn Over Qaeda Agents and Join Saudi Inquiry', *New York Times*, May 26, 2003. Electronic document accessed at <http://select.nytimes.com/gst/abstract.html> on July 24, 2006.

⁷⁷ A carrier battle group includes the aircraft carrier itself, Aegis air defence frigates and a number of support ships. For more information on carrier battle groups see George & Meredith Friedman, *The Future*

With regards to the seeking of nuclear weaponry, Iranian officials have denied any intentions of pursuing a nuclear weapons capability while maintaining that they seek to enrich uranium for civilian purposes. Despite this, the International Atomic Energy Agency (IAEA) maintains that Iran has created an atmosphere of suspicion by deliberately misleading the world about its nuclear activities and while the IAEA has been unable to confirm whether Iran is developing nuclear weapons, Iran's refusal to provide full cooperation in the investigation has made it impossible to conclude whether its uranium enrichment programmes are limited to peaceful purposes.⁷⁸

In an effort to halt Iranian uranium enrichment an incentive package was offered to Iran by the United States, Russia, China France, Britain and Germany, however Iran advised that it would not formally respond to the offer until August 22, 2006. In response to Iran's delaying tactics, the five veto-holding members of the Security Council introduced a draft resolution demanding that Iran cease enriching or reprocessing uranium by August or face unspecified sanctions.⁷⁹ Iran denounced the possibility of any sanctions being imposed on, it but the U.N. Security Council, when confronted with Iran's alleged failure to disclose the full extent of its nuclear activities unanimously decided to impose sanctions on the

of War: Power, Technology and American World Dominance in the 21st Century, New York: Crown Publishers, 1996, pp. 187-203.

⁷⁸ Colum Lynch, 'Incentives Offered to Iran Detailed at Security Council,' *Washington Post*, July 14, 2006. Electronic document accessed at <http://www.washingtonpost.com/wp-dyn/content/article/2006/07/13/AR2006071301659.html> on July 24, 2006.

⁷⁹ Colum Lynch, 'U.N. Resolution Would Pressure Iran,' *Washington Post*, July 21, 2006. Electronic document accessed at <http://www.washingtonpost.com/wp-dyn/content/article/2006/07/20/AR2006072000366.html> on July 24, 2006.

defiant nation. The U.N. Security Council resolution banned exports of nuclear related technology and materials to Iran, ordered Iranian overseas assets involved in nuclear research to be frozen and placed travelling restrictions on Iranian officials.⁸⁰

As with Iraq, the Bush administration is concerned that Iran's military agenda is a threat to regional security and therefore a significant threat to oil production and distribution in the Persian Gulf and wider Middle East. Iran itself has vast oil reserves standing at 132.5 billion barrels according to the *Oil and Gas Journal*, second only to Saudi Arabia's colossal 264.3 billion barrel oil reserves.⁸¹ Despite its huge reserves, Iranian oil production at its peak in 1974 produced 6 million barrels of oil per day and remained steadily above 5 million barrels per day until 1979, when the internal upheaval that accompanied the removal of the Shah from the throne reduced production to 3.1 million barrels per day.⁸² Since then Iran has been attempting to increase production to pre-revolutionary levels and in 2004 production exceeded 4 million barrels per day for the first time.

However, Iran, similar to other major Persian Gulf producers has refused to allow foreign firms to invest in its lucrative oil industry which could entail an increase

⁸⁰ Sarah Baxter, 'UN imposes nuclear sanctions on angry Iran,' *The Sunday Times*, December 24, 2006. Electronic document accessed at <http://www.timesonline.co.uk/tol/news/world/article1264398.ece> on February 7, 2006.

⁸¹ 'Worldwide look at Reserves and Production', *Oil and Gas Journal*, volume 103: issue 47. December 19, 2005.

⁸² DoE/EIA, *IEO 2005*, International Petroleum Production Table, Electronic document accessed at <http://www.eia.doe.gov/emeu/ipstr/t41a.xls> on July 25, 2006.

in production.⁸³ A further obstacle to an increase in Iranian oil production is the sanctions the United States has imposed on Iran. Under Executive Orders 12959 and 13059 authorised by President Clinton in 1995 and later renewed annually by President Bush, American companies are unable to invest in Iran nor are Iranian products allowed to be sold in the United States, including Iranian oil.⁸⁴ With the United States (as the world's largest petroleum consumer) refusing to purchase Iranian oil, a large number of the world's major oil companies are deterred from entering business transactions with Iran.

The Bush administration is also concerned about Iran potentially attacking oil tankers travelling through the narrow Straits of Hormuz – the vital water passage that links the Persian Gulf to the Indian Ocean. Iran is strategically located so as to be able to inflict significant damage to any movement of ships through the passage and this factor is of particular concern to the Bush administration because if hostilities broke out with Iran, Iran could threaten the world's oil supply through closing the Straits. Between 15-15.5 million barrels of oil move through the Straits on a daily basis accounting for nearly two thirds of total world oil trade and twenty percent of daily global oil demand.⁸⁵ In 1971 Iran seized the islands that abut the narrow shipping lanes within the Straits of Hormuz – Abu Musa and the Greater and Lesser Tunbs – from the United Arab Emirates and as of 1992,

⁸³ Klare, *Blood and Oil*, p. 107

⁸⁴ For full text of Executive Orders 12959 and 13059 see Iranian Trade Association, Executive Orders 12959 and 13059, electronic documents accessed at <http://www.iraniantrade.org/12959.htm> and <http://www.iraniantrade.org/13059.htm> on July 25, 2006.

⁸⁵ Joe Barnes, Amy Jaffe, 'The Persian Gulf and the Geopolitics of Oil', *Survival*, volume 48: number 1, Spring 2006.

Iran has been fortifying the strategically important islands. Furthermore Iran has test fired anti-ship missiles near the Strait's of Hormuz in 1987 and 1996, and on April 3, 2006, Iran fired a new torpedo directly into the Strait.⁸⁶

As of 2006, the vast majority of Iran's oil exports transitioned through the Straits of Hormuz, making it unlikely that Tehran would seek to close the Straits completely unless its own oil exports were being impeded. Currently any Iranian military action in the Straits has been deterred by the ever present threat of retaliatory strikes from U.S. carrier based aircraft in the region. However if Iran was to acquire nuclear weaponry the balance of power in the Persian Gulf would be threatened as any military operations directed against Iran by the United States would involve a significantly higher level of risk with the possibility of a nuclear retaliation.⁸⁷

As a result of its nuclear ambitions and support for terrorist organisations, Iran is a direct threat to U.S. regional interests in the Persian Gulf. That the Bush administration would approve of replacing the current regime with a regime more favourable to Washington's agenda is a certainty. If a pro-American government replaced the current regime, the administration could lift the restrictions on investment in Iran, allowing oil the major oil companies with advanced drilling techniques to become involved in the Iranian oil industry facilitating an increase

⁸⁶ 'Iran Test Fires New Torpedo in Gulf Oil Nexus', *Reuters*, DefenseNews.com April 3, 2006. Electronic document accessed at <http://www.defensenews.com/story.php?F=1662669&C=navwar> on July 25, 2006.

⁸⁷ Patrick Clawson, Simon Henderson, '*Reducing Vulnerability to Middle East Energy Shocks: A Key Element in Strengthening U.S. Energy Security*', The Washington Institute for Near East Policy. Policy Focus Number 49, November 2005, p. 11.

in Iranian production. Despite this, the factors that made a change of regime a possibility in Baghdad – namely an isolated pariah state with a leader who had openly waged wars of aggression against his neighbours and fragrantly disregarded U.N. resolutions – are not yet present in Iran. Therefore a U.S. led military operation similar to Operation Iraqi Freedom aimed at regime change in Iran is – for the moment – a highly unlikely scenario, although there have been recent disclosures of plans in existence for the destruction of Iran’s nuclear and major military facilities.⁸⁸

With a military initiated regime change in Iran seeming to be a remote possibility, the Bush administration appears to be lacking a coherent strategy for its relationship with Iran. The senior official who has offered the most detailed plan on an administration strategy towards Iran is Zalmay Khalilzad, an American citizen of Afghan origins, who served as the head of the Bush-Cheney transition team for the Department of Defence over Iraq before becoming the U.S. ambassador to Iraq. The administration’s approach towards Iran, he explained in an August 2002 speech, is built on a “dual-track policy,” that seeks to apply diplomatic and economic pressure on the regime while simultaneously supporting the antigovernment movement within the country.⁸⁹ Khalilzad observed that in numerous presidential and parliamentary elections the vast majority of the Iranian citizenry have voted in favour for economic and political reform; however these

⁸⁸ Klare, *Blood and Oil*, p. 108.

⁸⁹ Zalmay Khalilzad, ‘Senior US Official Spells Out Dual Track U.S. Policy Towards Iran’, Electronic Document accessed at <http://www.globalsecurity.org/wmd/library/news/iran/2002/iran-020802-usia01.htm> on July 24, 2006.

efforts have consistently been thwarted by unelected hard-line elements within the Iranian government that favour the status quo. “The policies of the current Iranian regime – both at home and abroad – are responsible for the poor state of the country’s economy and hostile relations with the United States,” he declared, and furthermore, “critical decisions on national security issues are made by an unelected few who have used terrorism as an instrument of policy against other countries and against Iran’s own citizens.” Khalilzad concluded by advising that when Iranian politics are reformed and Iran fully reintegrates itself with the world the United States will support its entry into the World Trade Organisation.⁹⁰

At present, the Bush administration appears to be committed to the dual method approach Khalilzad described, in the hopes that diplomatic and economic pressure will exacerbate the domestic situation within Iran and lead to a popular movement resulting in a regime change. As an example of this approach, on February 15, 2006, Condoleezza Rice told the Senate Foreign Relations Committee that the administration would ask Congress for a further 75 million dollars to fund a radio and television broadcasting programme into Iran in the national language of Farsi. “The United States will actively confront the aggressive policies of the Iranian regime,” she advised the committee, before describing Iran as “a strategic

⁹⁰ Zalmay Khalilzad, ‘Senior US Official Spells Out Dual Track U.S. Policy Towards Iran’, Electronic Document accessed at <http://www.globalsecurity.org/wmd/library/news/iran/2002/iran-020802-usia01.htm> on July 24, 2006.

challenge to the United States, to the world and a destabilising influence in the Middle East.”⁹¹

Currently the Bush administration seems content to wait before implementing more provocative and possibly illegitimate policies towards Iran, and with U.S. forces presently occupied in stabilising Iraq, a full-scale military invasion of Iran by the United States seems unlikely. However there is no indication of how long Washington is prepared to wait, and if the security environment improves in Iraq, the White House may well begin covert operations against the Iranian regime or perhaps even direct military action. While an invasion with the intention of regime change may not be imminent, the possibility of military action being taken against the Iranian regime, in particular, an attack on its nuclear facilities cannot be discounted.

Having removed Saddam Hussein from power in Iraq, the administration’s attention now includes the other major Persian Gulf state opposing U.S. interest – Iran. Iran’s alleged pursuit of nuclear weaponry constitutes a danger to American interests that Washington will not allow. According to Condoleezza Rice, “the pursuit of nuclear weapons by the Iranian regime represents a direct threat to the entire international community, including to the United States and to the Persian

⁹¹ Condoleezza Rice, remarks over American efforts to create domestic unrest in Iran through use of the media as cited in ‘Don’t Waste Your Money: Tehran to Washington’, *Times of Oman*, February 18, 2006. Electronic document accessed at <http://www.timesofoman.com/newsdetails.asp?newsid=25970> on July 26, 2006.

Gulf region.”⁹² The problem of Iran’s nuclear intentions is further exacerbated by an international need for Iranian oil. By the year 2030 the Department of Energy projects that daily global oil demand will increase from 80 million barrels per day in 2003, to a colossal 118 million barrels per day in 2030, and the majority of this oil is going to have to be produced in the Middle East, where the DoE projects that OPEC production will have to increase by 50 percent to even have a chance of accommodating future international demand. The regional tensions generated by Iran as well as the problem of future oil supply are both reasons why Washington would favour a regime change in Tehran, however any course of action adopted by the Bush administration with the intention of forcing a regime change could very possibly throw the Gulf region into turmoil as well as putting American soldiers in Iraq in even greater danger. America already maintains a strong military presence in the Gulf, however its combat forces are not solely located in Iraq, for this reason it is important to discuss Washington’s military relationship with the smaller states of the Persian Gulf and the following section will provide a broad overview of American forces in the region.

Extending Washington’s regional hegemony in the Persian Gulf: U.S. Military interests in the smaller states of the Persian Gulf

While the states of Iran, Iraq and Saudi Arabia account for the majority of American attention in the Persian Gulf, the smaller states in the region are by no

⁹² Condoleezza Rice, remarks over the threat Iran poses to America and the international community by its alleged pursuit of nuclear weaponry, Statement by Secretary of State, Department of State, May 31, 2006. Electronic document accessed at <http://www.state.gov/secretary/rm/2006/67088.htm> on July 26, 2006.

means on the periphery of Washington's regional agenda. Although it is outside the parameters of this thesis to examine the administration's relations with the more unknown regimes of the Persian Gulf – namely Kuwait, Qatar, Bahrain the United Arab Emirates (UAE) and Oman – it is important to identify America's military relationships with these states so as to be able to gain an appreciation of Washington's military dominance in the Gulf. Washington's ties with the smaller Gulf regimes are important because it brings into question whether America has interests in the region that supersede the importance of oil. For example as the following paragraphs will discuss, the United States has a significant military presence in the vast majority of the smaller Persian Gulf states, and this factor, leads to the conclusion that Washington may be deploying its forces to the region in preparation for a major future military confrontation with a rival power. In relation to the research question this section is also important as many of America's troop deployments to the smaller kingdoms of the Persian Gulf came in the aftermath of the September 11 attacks and therefore, it can be argued that their presence in the Gulf can be attributed to America's heightened desire for energy security in the wake of the attacks.

In Kuwait, the American military has constructed a major army base named Camp Doha. Camp Doha was where the army's V Corps from Heidelberg, Germany; the First Marine Expeditionary Force; the Third Mechanised Infantry Division from Fort Stewart, Georgia; a Special Forces unit; and an advance party of the British First Armoured Division, were deployed before the beginning of the 2003

invasion of Iraq. In 1999, the government of Kuwait began work on the construction of a new base, a \$200 million facility named Camp Arifjan located further away from Kuwait City so it can be fully protected from possible terrorist attacks. During 2002, approximately 10 000 noncombatant army personnel were transferred to the newly constructed base. The U.S. Army Engineer Corps designed the base, which includes large warehouses to store the pre-positioned equipment for a full army brigade along with modern barracks with shatterproof Mylar glass on all the windows. Camp Doha, which has seen continual use since the First Gulf War was always intended to be a temporary facility, as can be seen by the lack of storage facilities for U.S. military equipment, but Arifjan is evidence that America intends to remain for an unspecified amount of time in Kuwait.⁹³

While the government of Kuwait has accepted American protection despite the displeasure of its citizens, the relationship between the U.S. military and the other small states of the Persian Gulf is more complex. A number of the smaller states are frightened of their larger and stronger neighbours, Iran, Iraq and Saudi Arabia and therefore invite the American military into their countries as a form of protection. The Americans, in return for 'protecting' the smaller states demand military bases and storage facilities, preferably in locations far removed from population centres a factor which further enhances the security of the base.

⁹³ Johnson, pp. 242-243.

Qatar is an example of one of the smaller Persian Gulf states inviting the American military into the country in return for an implicit guarantee of protection if Qatar was ever attacked. Qatar has a proven 15 billion barrels of oil reserves and 25 trillion cubic meters of natural gas which is the third largest reserve in the world and accounts for 5 percent of the world's known natural gas deposits.⁹⁴ The country has a population of approximately 885 000 of whom 80 percent are foreign workers, and as a result of this, the country is potentially available for external takeover or internal revolution or a combination of the two.⁹⁵ Qatar disputes its land border with Saudi Arabia and often has conflicting interests with Iran, so in the minds of the leaders of Qatar, American military protection is an essential factor in maintaining control of the country.

Among the Qatari bases the Pentagon has gained access to is the al-Udeid Air Base. Situated nineteen miles southwest of Qatar's capital of Doha in the open desert, the base has a 15 000 foot runway, which is one of the longest in the Gulf, greatly exceeding the needs of Qatar's small military air force which is constituted of approximately 12 fighter aircraft. The government of Qatar constructed the \$1.4 billion base with the hope of attracting the American military by building the best possible facilities for U.S. and forces. As an example of Qatar's desire for American protection, in 1999, Qatar's emir, Sheikh Hamad,

⁹⁴ 'Worldwide look at Reserves and Production', *Oil and Gas Journal*, volume 103: issue 47, December 19, 2005.

⁹⁵ For more information on the demographics of Qatar see the CIA World Fact Book: Qatar. Electronic document accessed at <https://www.cia.gov/cia/publications/factbook/geos/qa.html> on July 27, 2006.

reportedly told US officials that he would like to see as many as 10,000 U.S. military personnel permanently stationed at Al Udeid.⁹⁶

Within Qatar, the U.S. military also has access to Camp as-Sayliyah, which is Central Command's largest pre-positioning facility outside the continental United States. The base is located an hour from Doha and is protected by a towering wall and .50-calibre machine guns which protect rows of warehouses that contain the equipment for an armoured brigade and a division base. The facility houses more than 150 M-1 Abrams Main Battle Tanks – the 68.7 tonne, \$4.3 million combat vehicle that is the weapon of choice for the U.S. army – 116 Bradley fighting vehicles and 112 other armoured personnel carriers. The pre-positioned equipment is expected to reduce the response time for a U.S. deployment in the region from four weeks to a mere four days.⁹⁷ Unlike most other U.S. bases in the Persian Gulf, Congress paid for Camp as-Sayliyah, Qatar contributed only the land and the utilities.⁹⁸

Bahrain is a small island approximately the same size as Washington D.C. situated in the Persian Gulf and connected to Saudi Arabia by the King Fahd causeway. Bahrain remained a nondescript participant in the Persian Gulf security environment until 1995 when the U.S. navy moved the headquarters of the fifth fleet along with 4 200 military personnel to Juffair, which is five miles

⁹⁶ Global Security Organisation. Qatar, Al Udeid Air Base, Electronic document accessed at <http://www.globalsecurity.org/military/facility/udeid.htm> on July 27, 2006.

⁹⁷ Global Security Organisation. Qatar, Camp As Sayliyah. Electronic document accessed at <http://www.globalsecurity.org/military/facility/camp-as-sayliyah.htm> on July 27, 2006.

⁹⁸ Johnson, p. 248.

southeast of Bahrain's capital of Manama. As the Global Security Organisation notes, "the current administrative naval support unit covers the busiest 22 acres in the world, and bears little resemblance to the small, 10 acre compound it was as recently in 1991. In the past seven year, this 'sleepy hollow' has expanded to 62 acres with \$36.5 million worth of new construction."⁹⁹ Foreigners constitute the majority of the population in Bahrain's capital of Manama and following the attacks on the USS Cole in Yemen, U.S. Central Command has begun limiting the activities of its personnel in Bahrain fearing that such a high concentration of foreigners may result in a terrorist attack. An aircraft carrier battle group is regularly deployed at Juffair along with special operation's teams and the U.S. has pre-positioned large amounts of equipment (ammunition, military vehicles medical equipment etc) on the pre-positioning ship squadron which remains afloat off Bahrain.¹⁰⁰

The Gulf state that is perhaps the least tolerant of America's military presence in the Middle East is the United Arab Emirates (UAE). According to the CIA World Fact Book the UAE's location is of strategic significance as it controls the southern approaches to the Straits of Hormuz.¹⁰¹ The Gulf War in 1991 stimulated the UAE's interest in creating a security relationship with the United States, and in 1994 the two countries concluded a Defence Cooperation Agreement which

⁹⁹ Global Security Organisation, Bahrain, Manama [Juffair]. Electronic document accessed at <http://www.globalsecurity.org/military/facility/manama.htm> on July 27, 2006.

¹⁰⁰ Ibid, Electronic document accessed at <http://www.globalsecurity.org/military/facility/manama.htm> on July 27, 2006.

¹⁰¹ CIA World Fact Book: United Arab Emirates. Electronic document accessed at <https://www.cia.gov/cia/publications/factbook/geos/ae.html> on August 9, 2006.

gave the U.S. air force access to al-Dhafra Air base, located approximately an hour outside the UAE's capital of Abu Dhabi. While the 763rd Expeditionary Air Refuelling Squadron operates from the al-Dhafra Air Base the number of air force personnel living on the base is proportionally far lower than the majority of other U.S. air force bases in the Persian Gulf.¹⁰² The UAE is also frequented by the crews of major navy vessels operation in the Persian Gulf as Jebel Ali, Dubai's seaport is perhaps the largest and most importance commercial centre on the Persian Gulf.¹⁰³

The last of the Persian Gulf states, to the east of Saudi Arabia and the UAE is Oman. Oman has a population slightly over 3 million, one-sixth of whom are foreign workers.¹⁰⁴ In 1980, as a result of the removal of the shah from power in Iran and the Soviet invasion of Afghanistan, Oman instigated a Defence Cooperation Agreement with the United States which was renewed and expanded in 1990.¹⁰⁵ The U.S. military stores pre-positioned equipment in Oman and uses all of its major airfields for aerial refuelling and intelligence operations in the Persian Gulf and wider Middle East. Information on the U.S. military presence in Oman is very scarce but there are reports that Oman has designated land for the construction of an air base to be used by the U.S. air force, the base would be built

¹⁰² Global Security Organisation. United Arab Emirates, al-Dhafra Air Base. Electronic document accessed at <http://www.globalsecurity.org/military/facility/dhafra.htm> on August 9, 2006.

¹⁰³ Johnson, p. 250.

¹⁰⁴ For more information on the demographics of Oman see the CIA World Fact Book: Oman. Electronic document accessed at <https://www.cia.gov/cia/publications/factbook/geos/mu.html> on August 9, 2006.

¹⁰⁵ Johnson, p. 251.

at al-Musnana, approximately 120 kilometres west of Oman's capital of Muscat.¹⁰⁶

This compilation of American military bases in the Persian Gulf region is far from complete. Following the removal of Saddam Hussein from power in Iraq, evidence has circulated of the construction of four permanent new military bases being built in Iraq; there are also a number of smaller American outposts and Special Forces bases as well as American bases in the wider Middle East that have intentionally been omitted from this paper as a result of thesis constraints. The deployment of American personnel and equipment to the smaller Persian Gulf states is important for current energy reasons as American forces are protecting the region with the world's largest oil reserves, but the American forces may also have been positioned there to serve a dual purpose, so that if a major conflict erupts between America and another power, America already has troops stationed around the one region that has the capability to sustain a resource depleting war for a lengthy period of time.

Conclusion

The American military presence in the Persian Gulf is strategically located so as to be able to protect the world's most prolific oil producing region. This military presence however is likely to generate animosity from the peoples of the region

¹⁰⁶ Global Security Organisation. Oman, al-Musnana Air Base. Electronic document accessed at <http://www.globalsecurity.org/military/facility/musnana.htm> on August 9, 2006.

opposed to America's presence in their countries. Despite this, the oil of the Persian Gulf is such a valuable resource America has been prepared to pay the financial costs that accompany such large troop deployments in a largely hostile region. While this chapter has argued that America has stationed military forces throughout the Gulf and used military action in order to safeguard Washington's geopolitical and oil interests, this chapter does not seek to claim that oil is the *sole* reason for America's policy towards the Persian Gulf. This is because, as argued above, American forces stationed in the Gulf may be serving a dual purpose, firstly to protect the world's major oil supplier and secondly to prepare for any future conflict. Furthermore it cannot be argued that oil is Washington's sole reason for being involved in the region as due to thesis constraints this thesis has been unable to examine the importance of Israel to Washington's Middle East policy which may indeed be a crucial factor.

Ultimately American policy towards the major countries of the Persian Gulf needs to be revised so a region-wide strategy can be implemented to further U.S. interests. With American forces stationed throughout the region, Washington's foreign policy objectives need to be clearly defined so as to allow clear success/failure definitions. The Bush administration especially needs to develop a coherent and consistent strategy towards Iran or risk allowing Iran the possibility of exploiting America's lack of a consistent policy.

CHAPTER SIX

AMERICA'S DOMESTIC SECURITY ENVIRONMENT AND
MOVE TOWARDS A
POST-PETROLEUM ECONOMY

The terrorist attacks of September 11 2001 irrevocably altered America's domestic security environment. The research question this thesis is examining is has there been any major shift in U.S. energy security policy in the post September 11 environment. While this thesis has predominantly examined the question in the context of U.S. foreign policy it is also important to discuss America's domestic policy to ensure that all facets of the argument have been included. This chapter will discuss a number of contemporary issues confronting America in the post September 11 security environment. Firstly this chapter will look at possible threats to America's energy infrastructure, it will then go on to discuss why America is confronted with an oil problem as a result of America's integration into the global economy and finally this chapter will discuss President Bush's leadership on oil and energy issues before concluding with a discussion on possible future energy sources.

The post September 11 threat to America's infrastructure and energy systems

The September 11 attacks led to the creation of the Department of Homeland Security (DHS) which was designed to manage the flow of information between the various counterterrorism departments and to coordinate any governmental

response. The attacks also led the White House to commission the CIA to identify America's 100 most probable terrorist targets and to ask the governors of every state to identify their states 150 most visible terrorist targets and a further 180 secondary targets.¹ According to the CIA in the post-September 11 threat environment it is safer to assume that terrorists have the capabilities to strike nearly anywhere rather than assume that an installation or piece of infrastructure is safe. In this security environment where installations or critical pieces of infrastructure are assumed to be possible targets the US has: 600 000 bridges to protect and 14 000 airports where terrorist can launch attacks from; 4 million miles of paved roadways and a further 95 000 miles of coastline; and a network of 260 000 natural gas wells along with 1.3 million miles of pipeline that could be targeted. The United States also maintains more than 510 000 oil wells that are currently in operation, any of which, if successfully attacked, could result in an environmental catastrophe.²

Since the rise of the industrial society, energy systems have been an important target in times of warfare. In World War II, both the Allied and Axis forces attempted to disrupt the other's petroleum supplies. Nazi U-boats during the Second Battle of the Atlantic (1939-1945) nearly severed the flow of oil from the Western Hemisphere to British and Allied forces fighting in Europe while later in the war, the Nazi controlled Romanian oil fields at Ploesti and Germany's synthetic fuel plants were the primary targets of systematic Allied

¹ Matthew Brzezinski, *Fortress America: On the Front Lines of Homeland Security – An Inside Look at the Coming Surveillance State*, New York: Bantam Books, 2005, p. 7.

² *Ibid*, pp. 7-8.

bombardments.³ However, in today's international environment America is far more concerned with the damage that can be done by a small group of radicals as opposed to the losses that would accompany modern industrial warfare.

America's global oil problem

In 1996, the U.S. General Accounting Office (GAO) commissioned a panel of expert energy economists to assess the impact of continuing to import large quantities of cheaper foreign oil (cheap when compared with purchasing domestically produced oil) on America's economy. According to the GAO's panel of experts it was America's dependence on oil as opposed to America's high percentage of oil imports which threatened America's energy security.⁴ The report also argued that because "the world's lowest-cost oil reserves are currently concentrated in the Middle East, especially in the Persian Gulf, the United States and other oil importing countries will rely more on this historically unstable region."⁵ Furthermore, the report advised that the U.S. economy would be adversely affected by any supply disruptions in the international oil distribution network regardless of the level of U.S. oil imports.

³ Daniel Yergin, 'Energy Security and Markets', *Energy and Security: Towards a New Foreign Policy Strategy*. Jan Kalicki, David Goldwyn (eds.) Washington D.C: Woodrow Wilson Centre Press, 2005, p. 60.

⁴ U.S. General Accounting Office (GAO), *Energy Security: Evaluating US Vulnerability to Oil Supply Disruptions and Options for Mitigating their Effects*, Report to the Chairman on the Budget, House of Representatives, Washington D.C, December. 2006.

⁵ *Ibid*, p. 14.

This effect would be felt because oil is a highly “fungible” commodity.⁶ At any given moment there are fleets of oil tankers at sea, many waiting to be sent to wherever the price for their particular quality of crude they are carrying is highest. Even if American oil reserves were so significant that the U.S. could produce *all* the oil it consumes, for as long as the American economy is integrated into the global economy and oil prices are set in the international marketplace, oil-supply disruptions anywhere in the world will have a significant effect on the U.S. economy.⁷ For example, an America that produced all its own oil would not initially be adversely affected by an oil-supply disruption in the Middle East, however, any disruption would immediately increase prices in European oil markets, this in turn would inevitably attract oil supplies from the U.S. as producers sought to increase their profits by selling their oil at higher prices in Europe. As the GAO report detailed, the integration of the US oil market into the international oil market meant that the U.S. could not isolate itself from the effects of oil supply disruptions as long as it remains an economy dependent on oil.⁸

President Bush's Leadership on the oil issue and the impact any change in U.S. energy would have on U.S. foreign policy

President Bush in his 2006 State of the Union Address declared that America has an addiction to oil and that he was increasing funding to the Department of

⁶ Rutledge, p. 154.

⁷ Ibid, pp. 154-155.

⁸ Ibid, p. 34.

Energy to push for breakthrough in the vital areas of electricity generation and automobile fuel. According to President Bush, “zero-emission coal-fired plants, revolutionary solar and wind technologies, and clean, safe nuclear energy” are going to be the energy sources America depends on in the future as the US cuts its dependency on Middle Eastern oil.⁹ President Bush’s declaration raises two very important questions relating to the safety of America’s energy infrastructure.

The first question raised by President Bush’s address is that if America replaced its dependency on oil with other energy sources, would it then be able to change the direction of its foreign policy in the Middle East so as to halt the rising level of anti-American sentiment in the region? Ironically Osama bin Laden himself hinted at the validity of this question in one of his periodic statements in 2004. It is not freedom that al Qaeda opposes he declared, it is America’s foreign policy in the Middle East. He questioned why, if freedom is the ultimate target of al Qaeda, hasn’t Sweden been targeted, as it is one of the most liberal democracies in the world? The answer, he said, is because Sweden does not support corrupt oil monarchies, occupy Muslim lands and exploit the resources of the Middle East. It is the actions, not the values of the United States, Bin Laden argues, that has made America a terrorist target, and he promises that attacks will continue until Americas foreign policy changes.¹⁰ According to bin Laden, a revised US foreign

⁹ President Bush’s 2006 State of the Union Address. Capitol Hill. Washington D.C. January 31, 2006. Electronic document accessed at <http://www.whitehouse.gov/news/releases/2006/01/20060131-10.html> on September 5, 2006.

¹⁰ Osama bin Laden, remarks on why America is al-Qaeda’s ultimate target as cited in CBS News. ‘Bin Laden’s Target U.S. Wallet’, November 2, 2004. Electronic document accessed at <http://www.cbsnews.com/stories/2004/10/29/terror/main652373.shtml> on September 5, 2006; Brzezinski, p. 244.

policy in the Middle East would end terrorist atrocities against America. Despite Bin Laden's promise to end terrorist attacks against America, however, it is not clear whether or not terrorism directed against the US would cease if the direction of American foreign policy changed. What does seem to be clearer is that, at least until the 2008 American presidential elections, US foreign policy in the Middle East seems certain to continue on its current trajectory.

The second key question raised by President Bush's 2006 State of the Union Address is, if America became independent from Middle Eastern oil through domestic energy production would America's definition of energy security change to encompass protecting its newly created source of domestic energy? And if so, how could America protect its widely dispersed energy infrastructure.

A study by the United States Energy Association identified three different methods of how America's energy facilities could possibly be targeted by terrorists. The first method is a physical attack *on* an energy system (a bomb detonating inside a nuclear power plant), the second is an attack *by* an energy system (if terrorists infiltrated a natural gas distribution centre and deployed a deadly toxin in gas form into the gas pipelines destined for residential use), the third is an attack *through* an energy system (the spreading of deadly chemical or biological agents through underground conduits).¹¹ When considering these possibilities, the protection of major energy installations becomes a critical factor

¹¹ United States Energy Association, *National Energy Security Post 9/11*, Washington D.C: U.S. Energy Association Press, 2002, p. 54.

in the maintenance of homeland security and the protection of America's energy facilities assumes even more importance if a concentrated effort by the American leadership is made to achieve the goal of energy independence - but what is the best method to protect America's sprawling energy network?

Efforts designed to protect America's energy production network

Energy expert Daniel Yergin observed that in the aftermath of the September 11 terrorist attacks significant efforts have been made to secure America's energy infrastructure. He points out however that America has maintains a vast energy infrastructure and that there are limited amounts of resources available to protect it. According to Yergin, the United States has the facilities to manage 14 millions barrels per day of oil imports and exports; 4 000 offshore oil platforms, more than 150 oil refineries, 160 000 miles of crude oil pipelines; 10 400 power plants generating electricity, 160 000 miles of high-voltage transmission lines along with millions of miles of distribution wires; 410 underground gas storage fields; and 1.4 million miles of natural gas distribution lines; and these figures do not include the vast expansion in infrastructure that would be required in order to implement President Bush's declaration.¹²

Perhaps the most controversial and dangerous source of energy produced in the United States is nuclear energy. Following the nuclear disaster at the Chernobyl reactor in Ukraine in 1986, nuclear energy has constantly been viewed as

¹² Yergin, 'Energy Security and Markets', p. 62.

hazardous to human life even though nuclear power plants have a proven safety record in the United States and the probability of a Chernobyl type disaster in the Western World has been estimated by nuclear safety experts in the order of one millionth per reactor per year of operation in reactors that are currently in operation and even less in the next generation of reactors with advanced safety features.¹³ Following the September 11 attacks, the question was raised about what the results could have been if the terrorists had targeted nuclear power plants instead of American landmarks and much discussion was generated over the possibilities of a nuclear fallout generated by terrorist activities. As nuclear energy is an increasingly viable energy production option available in the United States as oil prices rise, the security of nuclear facilities is being constantly evaluated.

According to the Federal Bureau of Investigation (FBI), nuclear power facilities are considered “hardened targets” due to their security precautions and “defence in depth” strategies and the nuclear energy industry is one of the few industries whose security programmes are regulated by the federal government. Nuclear power plants containment buildings which house the reactors are extremely robust and are made of steel and concrete with walls up to four feet thick. The containment buildings are designed to be able to withstand airliner accidents although it is questionable whether they would be able to withstand the terrible power generated by using a large passenger aircraft as a missile. Despite this, the

¹³ George. Olah, Alain Goeppert, G. K. Surya Prakash, *Beyond Oil and Gas: The Methanol Economy*, Los Angeles: Wiley-VCH Publishers, 2006, p. 123.

Nuclear Regulatory Commission has ordered the security forces of nuclear facilities to be able to respond aggressively to a threat which is defined as a “suicidal, well-trained paramilitary force, armed with automatic weapons and explosives, and intent on forcing its way into a nuclear power plant to commit radiological sabotage.”¹⁴ In the wake of the September 11 attacks security forces at nuclear facilities were increased by a third across America and the industry has spent an additional \$1.2 billion on security related improvements to enhance the level of security at nuclear power plants.¹⁵

The security measures designed to enhance the protection of nuclear facilities after the September 11 attacks creates a powerful precedent for America’s other energy production industries regardless of the level of threat they present to the citizenry of the United States and portends well for America’s ultimate goal of becoming energy independent in the future. This is because if America replaces the majority of its demand for petroleum with domestically produced energy, the protection of America’s domestic energy sources may well become the primary factor in attempting to ensure America’s energy security.

Future energy sources

¹⁴ Nuclear Energy Institute, Safety and Security: Nuclear Plant Security Regulated by the Federal Government. Electronic document accessed at <http://www.nei.org/index.asp?catnum=2&catid=273> on September 12, 2006.

¹⁵ Ibid.

The energy source or combination of energy sources that will be used in the coming years to power the economies of the world is far from being decided upon. In Europe for instance there is growing support for renewable energy alternatives to produce energy while in America there remains strong support for the creation of a hydrogen economy.¹⁶ Another alternative is the creation of an economy based on methanol as proposed by Nobel Prize winning chemist, Professor George A. Olah.¹⁷ There are numerous ways of generating electricity and a number of alternative renewable energy sources such as: hydropower, geothermal energy, wind energy, solar energy both photovoltaic and thermal to name but a few and it is beyond the scope of this thesis to evaluate each individual method and the feasibility of their producing significant quantities of electricity in the future and the potential they have for producing civilian casualties or environmental catastrophes if attacked by terrorist forces. What is clear however is that it will take a decisive technological breakthrough or the enactment of a powerful piece of legislation to begin to curb America's consumption of fossil fuels, and in the event that the United States does begin to produce significant amounts of energy domestically from renewable sources, those sources will need to be protected from external threats in order to safeguard America's energy requirements.

Conclusion

¹⁶ Roberts, p. 293.

¹⁷ For more information on the possibilities of a methanol economy replacing our oil based system and a technical discussion of problems associated with any transition see George Olah, *The Methanol Economy*.

In the wake of the September 11 attacks protection of America's domestic energy systems has become an increasingly important component of national security. However because America is so large and its energy infrastructure is so dispersed it is nearly impossible to provide full protection for every piece of equipment and as the United States is still so dependent on oil imports, protecting pieces of domestic energy production infrastructure assumes a lower priority than securing international shipments of petroleum destined for the continental U.S. If President Bush's declaration of moving America towards a post-petroleum economy becomes a reality, protecting America's domestic energy sources will need to be prioritised so America's economy cannot be crippled by terrorist attacks. As of the present, protecting America's oil imports is more important than the protection of America's domestic energy production infrastructure and only if America consciously begins to move towards an energy independent future will the problems associated with that future need to be confronted.

In attempting to become energy independent, the decision-makers and officials of America need to lead the way in what is seen as a controversial area where there are many entrenched interests opposed to movements away from the use of hydrocarbons as America's primary fuel source. There is also a disparity between President Bush's State of the Union address in 2006 and the Cheney Report released in 2001. As described in Chapter Four, the Cheney Report emphasised the need for American officials to encourage oil producers to increase their production levels and called for the United States to diversify its petroleum

supplier so as to be less vulnerable to supply disruptions.¹⁸ It is not the intention of this paper to accuse the Bush administration of hypocrisy in its energy policy, as it is certainly possible for a wealthy superpower such as America to pursue two alternative energy strategies simultaneously, however, in order for America to achieve the often cited goal of energy independence a coherent energy strategy supported by the president and America's lawmakers and written into a comprehensive piece of legislation is desperately needed.

As noted by John Holdren, a Harvard energy economist and former energy adviser to the Clinton administration; "a plausible argument can be made that the security of the United States is at least as likely to be imperilled in the first half of the next century by the consequences of inadequacies in the energy options available to the world as by inadequacies in the capabilities of U.S. weapons systems."¹⁹ Holdren's statement reflects America's current energy predicament as outlined in this chapter, to protect its immediate future the U.S. needs to secure its oil supplies, however to advance productively into the mid-long term future America needs to transfer its dependence on oil to a domestically produced energy source and it is this conflict that is presenting such a significant challenge to the Bush administration.

¹⁸ NEPDG, NEP 2001, chapter 8, pp. 4-5.

¹⁹ John Holdren, remarks over the seriousness of the world's energy situation as cited in Roberts, p. 258.

CHAPTER 7

ANALYSIS

The September 11 attacks highlighted the delicate relationship America maintains with the oil producing regimes of the Persian Gulf. America has consistently attempted to ensure that its relationships with the regimes of the Persian Gulf are maintained so its presence in that part of the world can continue undiminished. This strategy of maintaining positive relationships with Persian Gulf regimes reflects the increasing importance of energy concerns in Washington D.C. where energy issues are increasingly being viewed as matters of national security. The question this thesis has sought to examine is: has there been any major shift in U.S. energy security policy in the post September 11 environment? In moving to further answer this question this chapter is divided into three main sections. The first section analyses issues arising from the case studies investigated in Chapter Five. The second section asks how these observations reflect the theories on security as presented in Chapter Two. The final section then asks how these observations do or do not reflect what has been written in existing literature that is concerned with the oil of the Persian Gulf and the theory of energy security.

Primary findings of the Persian Gulf case studies

The research question identified the September 11 terrorist attacks as the event that would provide an analytical timeframe for this thesis. This analytical

timeframe would essentially divide American foreign policy into two distinct categories, pre-September 11 foreign policy and post-September 11 foreign policy. The specific phrasing of the research question, asking if there has been a major shift in U.S. energy policy in the post September 11 international environment, indirectly assumed that the September 11 attacks were seen as a catalyst in the American foreign policy establishment – thus leading to the creation of a new foreign policy doctrine with regards to the oil kingdoms of the Persian Gulf.

This assumption needs to be examined in two distinct parts. First, the September 11 attacks unquestionably did have a major impact on America, and the attacks were indeed a catalyst to some extent which led to the creation of a new foreign policy doctrine – the Bush doctrine – which was aimed not just at the Middle East but at the wider global community as a whole. According to international affairs expert Jeffrey Record, the September 11 attacks provided the justification for an expansive American foreign policy supported by U.S. military supremacy to be adopted by the Bush administration.¹ However, while the impact the September 11 attacks had on American foreign policy was significant and the reverberations of America's decisions following the attacks were experienced around the globe, no evidence was found to support the assumption that American *energy* policy had changed as well.

¹ Jeffrey Record, *Dark Victory: America's Second War Against Iraq*, Annapolis: Naval Institute Press, 2004, p. 20. For more information on the effects the September 11 attacks had on America's foreign policy establishment see Roger Burbach, James Tarbell, *Imperial Overstretch: George W. Bush & The Hubris of Empire*, New York: Zed Books, 2004; Ivo H. Daalder, James Lindsay, *America Unbound: The Bush Revolution in Foreign Policy*, Washington D.C: Brookings Institution Press, 2003.

The historical overview of America's actions in the Persian Gulf contained in Chapter Three presented a picture of America becoming increasingly involved in the affairs of the Middle East, a factor which is aptly highlighted by Operation Desert Shield where the United States deployed an enormous military force to protect one gulf kingdom – Saudi Arabia – from the predations of another gulf kingdom – Iraq. Chapter Four which detailed contemporary Bush administration energy policy introduces the document titled 'The National Energy Policy' otherwise known as the Cheney report after its principal author. The Cheney report, released by the administration in 2001 primarily calls for American foreign policy to reflect the demands of American energy policy and requests the support of the president and the key secretariats to influence the world's major oil producers to expand their oil production programmes so American and global consumption can be satisfied. The pre-September 11 document has never once been publicly mentioned by any senior official as being redundant as a result of the September 11 attacks, and it is significant that President Bush has not as of yet called for the creation of a new national energy strategy as a result of the attacks on America. As such, it appears that the Cheney report remains the Bush administrations primary document that outlines the grand strategy of American energy policy.

The case studies of American foreign policy towards Iraq, Saudi Arabia and Iran while dissimilar in many respects share one crucial similarity – the policies are a

reflection of America's more than six decades long experience in interacting with the oil producing kingdoms of the Persian Gulf. As America's policy towards Iraq, Saudi Arabia and Iran has been examined in Chapter Five, we can now conduct an assessment of how successful American efforts to secure access to the energy resources of each country have been.

In March 2003 America and its allies instigated a successful invasion of Iraq and American combat forces physically secured Iraq's oilfields and oil ministry at the onset of hostilities to ensure minimal damage to Iraq's oil production infrastructure. Once overt warfare between Iraqi and American forces had ceased U.S. engineers and Iraqi specialists sought to resume oil production, however, the prevalence of attacks on Iraq's oil infrastructure committed by insurgent groups and Saddam loyalists have severely curtailed American efforts to raise Iraq's oil production output.² So while the United States has successfully secured Iraq's energy resources the level of unrest in the country is preventing large investments into the country from the oil industry as well as hampering efforts to bring Iraq's oil production up to pre-invasion levels.

As the United States resorted to the use of military force to secure Iraq's oil it raises the significant question of the duration of America's primacy over Iraq's oil. For example if American combat forces are forced to withdraw prematurely from Iraq as a result of the insurgency, sectarian violence or as a result of a

² Peter Kiernan, 'Iraq's oil: A neo-con dream gone bust', *Asia Times*. May 17, 2006. Electronic document accessed at http://www.atimes.com/atimes/Middle_East/HE17Ak01.html on June 22, 2006.

change in policy, a distinct possibility as witnessed by the resignation Secretary of Defence Donald Rumsfeld as a result of the Democratic Party's success in the 2006 mid-term elections, could it entail an end to American control over Iraq's oil capabilities? While this question is beyond the scope of this thesis, as to a large extent it depends upon domestic American politics, it remains a question of future significance.

The United States has privileged access to Saudi Arabian oil as a result of the two countries strategic alliance that stretches back to the conversation between Franklin D. Roosevelt and King Ibn Saud aboard the USS Quincy in 1945. In order to continue to retain its privileged access to Saudi oil the U.S. government has a strong interest in ensuring the Saud family retains power in Saudi Arabia as any internal upheaval that results in a regime change may well have dire consequences for the international oil market as Saudi oil production may drop significantly as witnessed in Iran when the Shah was removed from power.

While the United States has not physically secured the oil assets of Saudi Arabia, the fact remains that the longstanding alliance between successive U.S. governments and the Saud royal family ensures American access to Saudi Arabian oil. As such the Bush administration has gone to great lengths to ensure the Saud monarchy remains intact to the extent that the administration ordered the redeployment of American combat personnel once stationed in the kingdom to reduce discontent within Saudi society. The actions undertaken by the Bush

administration to ensure the Saudi monarchy remains in power in Saudi Arabia portend well for the longstanding alliance between the two countries and may well ensure that Saudi Arabian oil remains available in large quantities to the people of America. The key scenarios in which America may lose access to Saudi Arabian oil are one in which the House of Saud falls and the new regime refuses to sell oil to America or where the Saudi regime is forced to stop selling oil to America to ensure their own political survival and continuance of their rule and the Bush administration is going to great lengths to ensure that neither scenario becomes a reality in the country with the world's largest oil reserves.

Of the three major oil producing regimes of the Persian Gulf, America has been the least successful in securing the hydrocarbon resources of Iran, indeed American companies cannot even do business with Iran as a result of restrictive legislation. While the National Energy Policy recommended that prominent Bush administration officials call for Middle Eastern regimes including Iran to open their energy infrastructure to foreign investment, it is clear that the current administration refuses to construct a relationship with Iran's ruling regime as a result of its support for terrorist organisations and alleged pursuit of nuclear weaponry.

With Iranian oil being unable to be sold in the United States as a result of America's sanctions against Iran, the only possibilities for America to secure Iran's energy resources are through military means or a change in regime in

Tehran as it is inconceivable that a strategic alliance between the United States and Iran's current regime could develop. Despite this, while it has been speculated in prominent newspapers and journal articles that America is considering attacking Iran, at the time of writing of this thesis, such articles are purely conjecture.³ Similarly while the Bush administration is exercising a number of limited options in attempting to ensure a regime change in Iran, a popular movement resulting in a revolution seems unlikely in the immediate future and as such, Iran will likely continue to be the regime that frustrates American efforts to secure the hydrocarbon resources of the three major Persian Gulf producers.

While the September 11 attacks galvanised the Bush administration into adopting a more bellicose position towards terrorists and terrorist supporting regimes, the overarching framework of U.S. post-September 11 energy policy remains remarkably consistent with pre-September 11 U.S. energy policy.⁴ However an often cited argument in response to this observation is that is even if pre and post September 11 energy policy are consistent, then the 2003 U.S. led invasion of Iraq represents an abnormality in U.S. foreign policy towards the Middle East as it is an example of America invading a country purely because of its energy

³ Jim Lobe, 'The drums of war sound for Iran', *Asia Times*, July 21, 2006. Electronic document accessed at http://www.atimes.com/atimes/Middle_East/HG21Ak02.html on July 24, 2006; Seymour Hersh, 'The Iran Plans: Would President Bush go to war to stop Tehran getting the bomb?', *The New Yorker*, April 17, 2006. Electronic document accessed at http://www.newyorker.com/fact/content/articles/060417fa_fact on July 24, 2006; Paul Rogers, 'Iran: War by October?', *Open Democracy*, April 20, 2006. Electronic document accessed at http://www.opendemocracy.net/conflict/iran_3463.jsp on July 24, 2006.

⁴ For background and discussion on the Bush administration's aggressive response towards terrorist organisations in the aftermath of September 11 see Ron Suskind, *The One Percent Doctrine: Deep Inside America's Pursuit of Its Enemies Since 9/11*, New York: Simon & Schuster, 2006.

resources.⁵ The following section will analyse this argument and will provide historical and financial evidence to support the conclusion that, while Iraq's oil may indeed have been a significant factor in the Bush administration's decision to invade Iraq, it cannot be identified that oil was the sole rationale behind the invasion.

The rationale behind the 2003 invasion of Iraq

The record of America's actions in the Persian Gulf from the end of World War II to the present reflects an era of widely unrestrained American influence and interference in the internal dynamics of the Middle East. America has often used clandestine activities and more direct pressure on Persian Gulf regimes to ensure that its interests are promoted; militarily, America has been remarkably active in the region as outlined in Chapter Three. Any examination of U.S. policy towards the Middle East from World War II to the present reflects the trend that the United States is prepared to use any available options to ensure its national interest is safeguarded. Viewed strictly from a historical perspective, with reference to the fact that the 2003 invasion of Iraq was the *third* regime change in Iraq sponsored by the United States, any argument claiming that during the 2003 invasion of Iraq oil interests superseded America's geopolitical interests avoids the issue of America's intentions to remain the hegemonic power of the Persian Gulf.⁶

⁵ Rutledge, pp. 178-201.

⁶ Ibid, p. 196.

Furthermore the argument that the United States invaded Iraq purely for its oil becomes even less feasible when considering the financial statistics of the invasion in conjunction with an examination of historical American policy in the region. The cost of the invasion and occupation to the American taxpayer has been enormous – according to a Congressional Research Service Report a colossal \$379 billion (US) has been paid to cover the cost of U.S. operations in Iraq and that figure does not extend to the exorbitant cost that will accompany the continuing deployment of American military personnel in Iraq in the near future and nor does it detail the cost in human casualties and injuries sustained by American forces.⁷ For the claim to be made that \$379 billion (US) has been spent since the September 11 attacks on securing Iraq's oil ignores the fact that for that figure, it would have been far simpler for America to encourage the United Nations to lift the sanctions on Iraq and to purchase its oil from the international marketplace.

So from a financial and energy perspective, if America had reversed its aggressive policy towards Saddam's Iraq foreign investors could have financed a major investment into Iraq's oil infrastructure along with providing Iraq state of the art drilling equipment with which it could significantly increase production. Iraq's oil would then be sold on the international marketplace where America could satisfy

⁷ Congressional Research Service Report cited in Bryan Bender, 'Cost of Iraq war nearly \$2b a week', *Boston Globe*, September 28, 2006. Electronic document accessed at http://www.boston.com/news/world/middleeast/articles/2006/09/28/cost_of_iraq_war_nearly_2b_a_week/ on October 10, 2006.

its rising oil consumption by purchasing Iraq's oil for a fraction of the price of the current occupation. However this option was rejected as it would represent a victory for Saddam Hussein who would have survived the sanction regime and remained in power despite the amount of attempts made to remove him from power.⁸ The fact that America has spent such a considerable amount on the military occupation of Iraq suggests that the Bush administration had a geopolitical interest in the invasion that superseded oil, and while Iraq's oil may have been a key factor behind the invasion it certainly cannot be identified as the sole rationale behind the administration's decision to invade and occupy Iraq.

Although the argument concerning America invading Iraq primarily for its oil has been shown to be untenable, there remains an argument that America did invade Iraq for its oil but the oil was purported to be for future security as opposed to immediate security that would accompany an increase in Iraq's oil production along with depleting Iraq's reserves at an accelerated rate. A common theme associated with this argument is that the American invasion also reduces the power of OPEC who will no longer be able to black mail the world through controlling oil production in a tight energy marketplace, essentially this argument is over whether America's invasion was motivated by power concerns.

As America's domestic oil production decreases and global oil consumption increases unless major new petroleum discoveries are made current producers are going to need to significantly increase production to satisfy international demand

⁸ Klare, *Blood and Oil*, p. 97.

as outlined in Chapter Five. Therefore for the United States to be in control of Iraq's oil reserves is of strategic significance as it ensures America is free to pursue its national interest without the concerns generated by oil scarcity. America's invasion of Iraq similarly reduces OPEC's ability to blackmail the world through placing controls on oil production or implementing another Arab oil embargo as witnessed in 1973-1974.

However in order to achieve maximum long-term success from the invasion of Iraq, America would have to permanently control the country and create a stable environment to enable maximum oil production when it is needed. This last point once again brings into question the longevity of U.S. operation in Iraq, because if the United States invaded Iraq in order to be able to exploit its oil in the future, the current state of instability in Iraq attests to terrible incompetence or conceit on the part of the American planners of the U.S. occupation who clearly underestimated the scale of resistance coalition forces would face in trying to secure Iraq.

That Iraq's oil will be a strategic asset in the decades to come is of no question, the question that is of significance is does America have the capabilities to stabilise Iraq to ensure that America retains control of Iraq's hydrocarbon resources for the future when they will be needed. Ultimately if America invaded Iraq with the primary focus of securing Iraq's oil for future American consumers a larger force would have been sent to the country and when U.S. forces captured

Baghdad additional U.S. military reinforcements and police would have been sent to Iraq to assist in stabilisation efforts. Despite this assertion, President Bush has announced his intentions to send a significant number of additional troops to Iraq in an effort to increase the security of the country and to ensure that a civil war does not break out.⁹ President Bush's decision to send additional forces to Iraq reflects the importance of Iraq as a part of this administration's wider foreign policy goals and represents an effort undertaken by President Bush to ensure that America's interests in the Middle East are protected even though America's post-invasion/occupation planning has been shown to have been overly optimistic. The following section will discuss the relationship between the case study observations and the theory of security outlined in Chapter Two.

The relationship between the findings of this thesis and the theory on energy security

Historical and contemporary American policy towards the Persian Gulf reflects the importance placed on energy security by consecutive presidents regardless of political orientation. It was argued above that the 2003 invasion of Iraq cannot be explained solely in terms of America and its allies attempting to secure the countries energy resources, similarly American policy in the Persian Gulf cannot be explained purely through a desire to secure the region's resources as there are

⁹ For more information on the possibility of President Bush sending additional troops to Iraq see, David Cloud, Jeff Zeleny, 'THE REACH OF WAR; U.S. May Bolster Iraq Force By Delaying Exit of Units', *New York Times*, December 29, 2006. Electronic document accessed at <http://select.nytimes.com/gst/abstract.html?res=F30A1FF834550C7A8EDDAB0994DE404482> on January 8, 2007.

certainly geopolitical dimensions to America's decision to remain in the gulf that ignore the oil factor. However this thesis has shown how the concept of energy security was a critical facet of America's Persian Gulf policy far earlier than the September 11 attacks and that the attacks themselves have not significantly altered America's energy security policy in the gulf.

In Chapter Two it was argued that a lack of energy security was a threat to national security through either immediate effects that cause significant harm to a countries' economy or through long-term effects such as a country becoming beholden to a single oil supplier and thus gradually forfeiting their political autonomy. President Bush made an indirect reference to the loss of political autonomy that accompanies dependence on a single region for petroleum and the compelling need for energy security in his 2006 State of the Union address when he declared that he was launching initiatives to "make [America's] dependence on Middle Eastern oil a thing of the past."¹⁰ So can America's policy in the Persian Gulf be largely identified as being consistent with the theory of energy security presented in Chapter Two? This thesis argues that in the last fifteen years alone discounting the evidence before 1990 there have been at least three compelling series of actions that arguably affirm that energy security is of primary importance to successive U.S. governments.

¹⁰ President Bush's 2006 State of the Union Address. Capitol Hill. Washington D.C. January 31, 2006. Electronic document accessed at <http://www.whitehouse.gov/news/releases/2006/01/20060131-10.html> on November 24, 2006.

The first of these, preceding the September 11 attacks was Operation Desert Shield. When Iraq occupied Kuwait, Saudi Arabia's oil fields which are largely concentrated in al-Hasa, the Eastern province adjoining Iraq, became immediately vulnerable to Iraqi attack. Then President George H. W. Bush ordered the Department of Defence to establish plans for the protection of the Saudi oil fields and on August 8, 1991, the president cited America's energy concerns as the primary factor in sending military forces Saudi Arabia's defence. "Our country nearly imports half the oil it consumes and could face a major threat to its economic independence," President Bush declared, and as such, "the sovereign independence of Saudi Arabia is of vital interest to the United States."¹¹ As President Bush's declaration reveals, America's energy security policy in the Persian Gulf was of clear importance even as early as 1991.

The second event that reveals the importance of America's Persian Gulf energy security policy is the 2003 invasion of Iraq. Securing Iraq's oil was clearly of importance to the Bush administration although exactly *how much* importance is contested as argued above. Despite this, the efforts undertaken by the U.S. military to seize the oilfields at the outset of hostilities and the preventative action taken to ensure the safety of Iraq's oil ministry preludes to the high level of importance the Bush administration placed on Iraq's oil.¹² In accordance with the energy security theory presented in Chapter Two, the Bush administration was seeking to ensure America's future oil consumption would not be jeopardised by

¹¹ President George H. W. Bush, remarks over the importance of Saudi Arabia to American foreign policy before the beginning of the 1991 Gulf War as cited in Klare, *Blood and Oil*, p. 50.

¹² Rutledge, pp. 181-182.

hostile powers in the Persian Gulf refusing to export petroleum to the United States. Moreover with the forcible removal of Saddam Hussein from power, America now has a significant military presence in the country with the world's third largest amount of oil reserves behind Iran and Saudi Arabia and as Department of Energy projections attest to, as outlined in Chapters Four and Five, global petroleum consumption is rising rapidly and for America to be in control of Iraq's oil reserves is of vast strategic significance.

Finally the Bush administration's decision to withdraw its military forces from Saudi Arabia after the fall of Saddam Hussein, while having significant geopolitical ramifications, is also important for America's energy security policy in the Persian Gulf. Saudi Arabia and the United States have had a longstanding relationship as argued in Chapter Three, however the presence of American troops in Saudi Arabia was providing recruitment opportunities for terrorist and anti-monarchy organisations, adding to the kingdom's stability problems. The Bush administration acknowledging the destabilising factor created by the American military in Saudi Arabia redeployed its combat forces to new bases in Iraq to assist in stabilising Saudi Arabia as under no circumstances did it wish to see the kingdom overthrown in a coup similar to what happened to the Shah of Iran, nor did the administration want to see the Saudi Arabia's vast oil reserves come under the control of forces that may have held anti-American sentiments and perhaps restricted the flow of Saudi Arabian oil to the United States.

Although the three events had significant geopolitical outcomes, when viewed in conjunction, they strongly reflect this thesis' observation that despite the horror of the September 11 attacks, American post September 11 energy security policy in the Persian Gulf remains consistent with America's pre September 11 Persian Gulf energy security policy. These three events also arguably lead to the conclusion that energy security, for a long period of time, has been a primary factor in the creation of America's foreign policy stance towards the Persian Gulf. In the five years since the September 11 attacks, U.S. foreign policy in the Persian Gulf has become an increasingly discussed and written about subject to the extent that there is now a vast amount of literature on the subject. The following section will compare the findings of this thesis to the observations made by other contemporary literature on U.S. foreign policy in the Persian Gulf.

Do the findings of this thesis reflect contemporary literature on U.S. foreign policy towards the Persian Gulf?

The contemporary literature on U.S. foreign policy in the Persian Gulf can be broadly broken down into two distinct categories; the first category sees the oil of the Persian Gulf as America's ultimate goal in the region, the second category views the oil of the region as an important factor in U.S. foreign policy but ultimately as a secondary objective to wider geopolitical interests although the authors may disagree on what those interests may be. Examples of literature from the first category are Michael T. Klare's: *Blood and Oil: The Dangers and*

Consequences of America's Growing Petroleum Dependency, Ian Rutledge's: *Addicted To Oil: America's Relentless Drive for Energy Security* and Richard Heinberg's: *The Party's Over: Oil War and the Fate of Industrial Societies*.

Examples of literature from the second category are William R. Clark's *Petrodollar Warfare: Oil, Iraq and the Future of the Dollar* and Chalmer Johnson's: *The Sorrows of Empire: Militarism, Secrecy, and the End of the Republic*. These five often cited works characterise the divergent opinions on U.S. policy in the Persian Gulf and as such provide a strong reference for discovering where the findings of this thesis are most accurately reflected.

The central observation this thesis has highlighted is that an examination of historical U.S. foreign policy in the Persian Gulf precludes to an America willing to accept the costs of being involved in the internal affairs of the region in order to pursue America's national interest and that the September 11 attacks did not substantially alter American policy towards the Middle East. This thesis also has argued that as a result of the bleak energy future portrayed by Department of Energy statistics, oil and the control of oil in the Persian Gulf is the most important factor in America's decision to be involved in the Persian Gulf since the end of World War II and although there are certainly geopolitical dimensions to America's interest in the gulf, viewed through a historical context oil can be seen as the central priority of U.S. foreign policy in the region.

While the argument that post September 11 foreign policy in the Persian Gulf is a continuation of pre September 11 foreign policy has not been found in other supporting literature as of yet, the view that oil is the central factor in determining U.S. foreign policy in the Persian Gulf places this thesis within the first category as identified above. In *Blood and Oil* Michael Klare declares that “the pervasive instability of the Persian Gulf undoubtedly portends the continued presence of a large American military force in the region.” However “no matter how costly the effort grows, we cannot remove our forces from the Gulf as long as we remain committed to a strategy of maximum petroleum extraction.”¹³ Klare’s argument that the U.S. military is the critical component in U.S. energy security policy and that America is committed to the petroleum of the Persian Gulf is an argument which is strongly reflected in this thesis and furthermore, his argument supports this thesis’ premise that energy security has been a priority of successive administrations.

Ian Rutledge similarly sees the oil of the Persian Gulf as the primary factor behind U.S. policy in the region. In *Addicted to Oil* Rutledge notes that “the most frequently observed pattern which emerges from a study of [America’s] foreign policy over the past eighty years is a fundamental and abiding concern for, and involvement in the geopolitics of oil.”¹⁴ While Rutledge’s observation traces American involvement in the Persian Gulf from before World War II the central premise of his comment is reflected in the body of this thesis. Rutledge concludes

¹³ Klare, *Blood and Oil*, p. 112.

¹⁴ Rutledge, p. xi.

that “although America’s interest in [the] Middle East’s oil was originally led by military consideration, by the 1960s these had largely taken second place to the ever increasing demands of [America’s] domestic economy... which was heavily oil dependent.”¹⁵ Rutledge’s conclusion reflects America’s attempts to secure foreign sources of petroleum after its value as a vital component of national security was recognised after the Second World War where it was thought that America’s domestic reserves may not have been able to support another major war. His observation is reflected in Chapter Three of this thesis along with his argument that American domestic oil consumption eventually became a more significant factor in American energy security policy than then military’s oil consumption.

The final book in the first category identified above is Richard Heinberg’s *The Party’s Over*. Heinberg outlines his primary argument concerning the 2003 U.S. led invasion of Iraq and the reasons for American involvement in the Persian Gulf. “I do not believe that this invasion was undertaken simply to commandeer Iraq’s oil supply,” Heinberg observes, “however, when the Iraq adventure is seen in light of America’s long-term foreign policy in the Middle East, it can certainly be regarded as an oil war. The U.S. would have little interest in that part of the world were it not for the fact that 60 percent of proven global oil reserves are concentrated there.”¹⁶ Heinberg’s synthesis and analysis of the multiple arguments surrounding American involvement in the Persian Gulf most strongly

¹⁵ Rutledge, p. 197.

¹⁶ Heinberg, p. 269.

reflects the central themes of this thesis, namely that securing Iraq's oil was not the Bush administrations highest priority when it invaded Iraq but when the invasion is viewed in a historical context it is apparent that American involvement in the Persian Gulf is primarily designed to secure the region's hydrocarbon resources.

The first of the literary works from the category that views American involvement in the Persian Gulf as a means of pursuing geopolitical objectives with oil as a secondary concern is William Clark's *Petrodollar Warfare*. Clark observes that "the US economy is intimately tied to the [American] dollar's role as [the world's] reserve currency."¹⁷ Clark proceeds to argue that as the American dollar is the world's reserve currency the dollar "has traditionally assumed the role of the main currency for international oil transactions."¹⁸ However in late 2000 Saddam Hussein began pricing Iraq's oil in Euros as opposed to U.S. dollars, a move that if followed by other major oil producers had the potential to threaten the American dollars role as the world reserve currency. The international monetary transactions as briefly outlined above are what Clark bases his primary argument around. "The dollar-euro threat is powerful enough that the US risked domestic and international economic backlash in the short-term to stave off the long-term dollar crash that would result from a collective OPEC switch from dollars to euros."¹⁹

¹⁷ Clark, p. 118.

¹⁸ Ibid, p. 120.

¹⁹ Ibid, p. 116.

Chalmers Johnson, author of the final book from the second category, presents another geopolitical possibility to explain US involvement in the Persian Gulf. Johnson presents the central premise of his argument around US geopolitical interests in the Gulf. “The permanent deployment of American soldiers, sailors and airmen whose culture, lifestyles, wealth and physical appearance guarantee conflicts with the peoples who live in the Middle East, is irrational in terms of any cost-benefit analysis,” he declares. “In fact, given the widespread political unrest and a strong revival of militant Islam, the United States seems inexplicably intent on providing future enemies with enough grievances to do us considerable harm.” The important question therefore is “was the assault against Iraq driven by Iraq’s actions or by military capabilities in American hands? It may be that the ultimate causes of twenty-first-century mayhem in the Middle East are American militarism and imperialism – that is, our empire of bases itself.”²⁰

Both Clark and Johnson present very different arguments as to why geopolitical interests in the Persian Gulf best explain American interest in the region. However despite the vast differences between the author’s arguments, the books share a common theme, namely that they are both explaining that America’s geopolitical interests in the Gulf supersede America’s desire to control the oil wealth of the region. This argument is in contrast to my thesis where the oil of the Persian Gulf is ultimately viewed as the primary factor in determining US foreign policy in the region even though geopolitical interests arguably supersede oil interests on occasion.

²⁰ Johnson, pp. 252-253.

Conclusion

This thesis has argued that post-September 11 U.S. foreign policy in the Persian Gulf has maintained a direction consistent with pre September 11 foreign policy. This observation reflects the prioritisation of energy security to the Bush administration and his predecessors who have maintained American hegemony over the Persian Gulf for more than the last fifty years. This thesis addresses a lacuna in the literary works on the subject arguing that post September 11 foreign policy is consistent with pre September 11 foreign policy however it is similar in respects to a number of works, especially Michael Klare's *Blood and Oil* with regards to the results derived from the statistical data leading to the conclusion that oil is the priority in American foreign policy in the Persian Gulf, superseding other geopolitical concerns.

CHAPTER 8

CONCLUSION

In the wake of the September 11 attacks the implementation of the Bush Doctrine by the Bush administration and America's invasion of Iraq have prompted numerous arguments concerning pre September 11 and post September 11 foreign policy. The question this thesis has sought to examine is whether there has been any major shift in U.S. energy security policy in the post September 11 environment. This chapter concludes the thesis by outlining the central assertions identified in the three case studies and by highlighting any questions that have arisen throughout construction of this work that warrant further investigation.

Primary assertions of this thesis

The primary finding of this thesis is that despite the horror of the September 11 attacks against the United States that led to the creation of the Bush doctrine, there was no significant change in American *energy policy towards the Persian Gulf*. Indeed as this thesis has shown, post September 11 energy policy directed towards the Gulf regimes can be viewed as a logical continuation of pre September 11 energy policy. This finding may seem extraordinary, as America appears to have become a more bellicose superpower in the wake of the attacks. However, as I have shown in this thesis, while America became fully involved in its war on terror and adopted a more aggressive position towards hostile regimes,

U.S. energy policy towards the Persian Gulf continued undisturbed on its pre September 11 trajectory.

Another central assertion of this thesis is that viewed in a historical context, *oil* is a major factor for American involvement in the Persian Gulf. However this thesis did not argue that oil was the *primary* reason for American involvement in the Gulf, as a detailed study of America's relationship with Israel and the question of strategic positioning were unable to be conducted within the constraints of this thesis. The assertion that oil is a major factor in American policy towards the region is supported by America's post World War II decision to become involved in the Gulf so that Persian Gulf oil could act as a substitute for domestically produced American oil which had been heavily exploited by war-time demands. Contemporary U.S. foreign policy also attests to the validity of this finding as, despite the significant cost in both human lives and financial terms, the United States has maintained a direct interest in the Persian Gulf to the extent that carrier battle groups patrol the seaways of the region in order to provide the stable security environment that is needed for oil production.

The final finding of this thesis is that the 2003 invasion of Iraq was instigated with the pursuit of geopolitical objectives as the primary goal, as opposed to the often cited oil factor assuming central importance. This finding may seem to contradict the finding above but this is not so. Viewed in a historical context oil can clearly be seen as a primary factor determining American involvement in the

Gulf and as such the 2003 invasion of Iraq can be seen as the most recent event highlighting American efforts to control the oil of the region. However when the invasion is examined in isolation it becomes clear that geopolitical factors – not oil – provided the rationale behind President Bush's decision to invade Iraq.

The geopolitical factors behind the 2003 invasion were detailed in Chapters Five and Chapter Seven but they will be briefly summarised here. The first geopolitical objective America had for invading Iraq was the stability of Saudi Arabia. The American military presence in the kingdom was becoming a destabilising factor in Saudi Arabia even though formal opposition to the House of Saud was not permitted. As the United States has a vital interest in the stability of the kingdom it was necessary to redeploy American forces stationed there, but with Saddam Hussein still in power in Baghdad, any redeployment could have jeopardised the security of Saudi Arabia. Therefore in order for the Bush administration to be able to move its troops out of the region the rationale behind their presence had to be removed. As this thesis has shown an invasion of Iraq would remove Saddam Hussein from power and thereby allow America to redeploy its combat forces so as to remove a factor inducing discontent within Saudi Arabia.

A further geopolitical factor that led to the 2003 invasion of Iraq was the destabilising presence of Saddam Hussein's Iraq. Hussein had already shown through his invasion of Kuwait that he was willing to initiate military operation to pursue his own interests and this factor, despite Iraq's reduced military presence

as a result of his defeat in the 1991 Gulf War was providing an impediment to the stability levels of the entire region. With Hussein in power and allegedly attempting to create Weapons of Mass Destruction an American military presence in the Persian Gulf was necessitated to counter any aggressive tactics Saddam chose to initiate. Therefore Hussein's removal from power became a priority for the Bush administration as by invading Iraq they would be able to redeploy their forces from Saudi Arabia to Iraq and furthermore they would be removing one of the region's primary sources of instability.

Questions highlighted by this thesis

During the construction of this thesis a number of significant questions have arisen that have been unable to be examined due to thesis constraints. Perhaps the most important of these is the question of how the Democratic Party's success in the 2006 mid-term elections will impact on the future of American involvement in Iraq. Former Secretary of Defence Donald Rumsfeld has already been forced to resign following the Republican Party's loss of control of both Houses of Congress and his resignation may entail greater changes to come for the direction of American policy in Iraq. Indeed President Bush has commissioned former Secretary of State James A. Baker to form the Iraq Study Group to advise the administration on alternative strategies to America's current direction in Iraq, a

clear indication that the administration is evaluating the possibility of a change in policy towards the region.¹

Another question highlighted by this thesis is assuming the Bush administration continues to endorse the American military's presence in Iraq for how long will that support remain if sectarian violence and insurgency operations continue. The relationship between this question concerned with the longevity of American involvement in Iraq and the former question highlighted above is clear – the American presence in Iraq is seen to be increasingly tenuous with the military maintaining only a slim hold on power in certain areas of the country. Both these questions reflect the difficulties America faces in trying to stabilise Iraq and in trying to generate domestic support for U.S. operations.

The final question raised by this thesis is concerned with the empirical problems confronting America in its attempts to secure the oil of the Persian Gulf. To a large extent the general populace of the oil producing regimes of the Persian Gulf harbour anti-American sentiments and as such the American military presence in the region generates hostility towards the U.S. and creates a destabilising element in the regimes that may not exist without the American presence. As this problem seems unlikely to be resolved in the immediate future it raises the question of the extent of time America will continue to maintain a military presence in the Persian Gulf and for how long America will continue to view physically securing

¹ BBC News. Profile: The Iraq Study Group, November 14, 2005. Electronic document accessed at <http://news.bbc.co.uk/2/hi/americas/6146434.stm> on November 30, 2006.

the oil of the region as the optimal method of ensuring American oil demands are satisfied.

Conclusion

This research has attempted to examine a lacuna in the literature on American policy towards the Persian Gulf through a careful analysis of the impact the September 11 attacks had on American policy in the Persian Gulf. This thesis specifically sought to answer the question of whether there has been any major shift in U.S. energy security policy in the post September 11 environment. This thesis has clearly shown that pre-September 11 policy Persian Gulf policy and post-September 11 policy are remarkably consistent and that post-September 11 Persian Gulf policy can be seen as a continuation and logical extension of pre-September 11 foreign policy.

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