



It's about oil Bush is clearly trying to get control of Iraq's oil reserves.

## Summary

Control over oil is a central motivation for the Bush administration's military confrontation with Iraq. The unilateralist nature of the US's new security stance in a post-September 11th world has become inexorably linked with the importance of controlling oil.

The dependence of the economy on oil forces US foreign policy to equate control of oil with its "vital interest". Two thirds of the world's oil supplies are in the Persian Gulf, making control and influence in this region crucial.

The fight to control oil has increased global conflict. The production and use of oil has destabilized governments and had an anti-democratic influence in oil producing countries. The use of oil is causing climate change, which poses the greatest environmental threat to our planet.

Oil companies such as ExxonMobil have used their political influence to undermine attempts to tackle climate change, and encouraged US dependence. ExxonMobil's contributions in the 2002 election cycle totaled more than US \$1 million with 91% of it going to the Republicans<sup>1</sup>.

Greenpeace believes that real security will only come about when we stop our global addiction to oil and transfer our resources to producing clean renewable energy.

## Driven by oil

The global economy is underpinned by the use of fossil fuels such as coal, gas and oil. Securing control of this valuable resource has become a major driver for American foreign policy.

The US is becoming increasingly dependent on foreign supplies of oil. In 2001 the US imported 54 percent of its oil, compared with 2 percent in 1950. The US accounts for about 25 percent of global oil consumption but has only 3 percent of the proven oil reserves<sup>1</sup>. In 2002 around twenty per cent of all oil imported into the US comes from the Persian Gulf region<sup>2</sup> with, for example, 52% of Exxon's total oil imports for the first six months of the year coming from the region<sup>3</sup>.

Since becoming president George W. Bush has continually stated that the US faces an energy crisis. Although there is little proof, he has based many of his policies on this false understanding.

The Bush Administration's response to the "energy crisis" has concentrated on the supply side, with no attempt to reduce an ever-increasing domestic demand for oil.

The "dig, drill and destroy" approach to energy policy threatens some of the US's most pristine areas and will increase air pollution. And to little effect. The entire output from drilling in the Arctic National Wildlife Refuge only yields about six months' worth of oil for the US<sup>4</sup>.

Apart from its consequences in the US, the emphasis on supply naturally leads to an aggressive foreign policy. The National Energy Policy Group chaired by Vice President Cheney concluded that energy security should be a priority of trade and foreign policy. In a recent statement to Congress, General Anthony Zinni testified that the US "must have free access to the region's [Persian Gulf] resources".

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<sup>1</sup> <http://www.opensecrets.org/industries/contrib.asp?Ind=E01&Cycle=2002>

<sup>2</sup> [http://www.eia.doe.gov/emeu/mer/pdf/pages/sec1\\_15.pdf](http://www.eia.doe.gov/emeu/mer/pdf/pages/sec1_15.pdf)

<sup>3</sup> see

[http://www.eia.doe.gov/pub/oil\\_gas/petroleum/data\\_publications/company\\_level\\_imports/current/summary2003.html](http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/company_level_imports/current/summary2003.html)

<sup>4</sup> see <http://www.savebiogems.org/arctic/takeaction.asp?step=2&item=1422>

Iraq contains 112 billion barrels of proven oil reserves, the third largest in the world (behind Saudi Arabia and Canada).<sup>5</sup>

. It has more than the combined proved reserves of the Caspian Basin, Siberia, Alaska, the North Sea and West Shetland<sup>2</sup>.

Oil runs deep in the Bush Administration. Apart from President Bush himself, Vice President Cheney is the former CEO of oil-services giant Halliburton Co. Donald Evans, the Secretary of Commerce, and Secretary of Energy Stanley Abraham both previously worked for oil giant Tom Brown. Condoleezza Rice, the President's national security advisor, is a former member of the board of directors of Chevron. Rice even had a Chevron oil tanker named after her.

### **Corporate polluters in the driving seat**

Given many of its members' natural affinity with oil companies it is not surprising that Bush Administration policies on energy seem to have created an open door for corporate polluters.

Companies like ExxonMobil have worked hard to protect their core business. ExxonMobil has for the last ten years undermined every effort to reduce the world's reliance on oil by pressuring the US government into abandoning its commitments to the Kyoto Protocol on global warming.

During the 2002 election cycle, ExxonMobil gave US\$1,306,581 to political campaigns - the third largest contributor among oil and gas company campaign contributions. Of this total, 91 percent went to Republican candidates<sup>6</sup>. By undermining efforts to reduce greenhouse gas emissions, ExxonMobil prolongs US oil dependence and prolongs its entanglements with often politically unstable oil producing countries.

In 2000 ExxonMobil spent over US\$7 million on lobbying the US legislative, ranking it number one spender in the oil and gas industry.<sup>7</sup>. The result of ExxonMobil's influence is that Exxon's words come out of Bush's mouth. After intensely lobbying Bush to ditch the treaty, which he did in March 2001, Exxon took out advertisements describing the Kyoto Protocol as "fundamentally flawed" and "fatally politicized". Two months later Bush described the Kyoto treaty as "fatally flawed in fundamental ways"<sup>3</sup>.

"If you try talking about Iraq and if you were not encumbered by the fear that your actions would be linked to ExxonMobil or the oil industry, you'd be talking about oil issues," according to a Bush energy advisor quoted anonymously in the Wall Street Journal<sup>4</sup>.

### **Real security**

The burning of oil and other fossil fuels causes climate change, which has the potential to radically damage entire ecosystems. Changing the climate will affect everyone and everything on Earth, as acknowledged by the Intergovernmental Panel on Climate Change (IPCC). Established by the World Meteorological Organization and the United Nations Environment Programme, the IPCC is a group of more than 2000 of the world's top scientists.

The people of the US and other oil dependent economies will only gain real security when they achieve energy independence. A combination of energy efficiency and the transition to an economy based on clean renewable energy is the quickest way to achieve that goal. Even better, it's the cheapest way to do it.

A comparison of the projected costs of the war with the price of energy security is sobering.

White House projections for the costs of the war are typically between US\$90 billion and US\$250 billion. Many commentators quote US\$200 billion. By comparison the 1991 Persian Gulf War cost the US an estimated US\$61 billion.

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<sup>5</sup> see US government Energy Information Agency country brief on Iraq available at <http://www.eia.doe.gov/emeu/cabs/iraq.pdf>

<sup>6</sup> see <http://www.opensecrets.org/industries/contrib.asp?Ind=E01&Cycle=2002>

<sup>7</sup> see <http://www.opensecrets.org/lobbyists/indusclient.asp?code=E01&year=2000&txtSort=A>

US\$90 billion could provide clean renewable energy to the 1.6 billion people, a quarter of the world's population, who have no access to electricity. As well as helping to bring about sustainable development, it would prevent the deaths of the two and half million women and children who die each year from the indoor pollution caused by cooking fires<sup>5</sup>.

In the US\$200 billion dollars could buy:

- US\$2,000 solar system for each of the 100 million households in America.
- 10 million Honda or Toyota hybrid cars, which have a fuel efficiency of 40 miles per gallon. They could replace the 10 million vehicles which get less than 20 miles per gallon. Transportation currently accounts for over 30 percent of the US's annual CO2 emissions. The fuel saved by switching would be approximately 3.75 billion gallons or 14.2 billion liters of gas.
- 330,000 wind turbines. Based on the 1998 cost of a 600-kilowatt wind turbine (US\$500-650,000) and not assuming any scale of production cost savings<sup>6</sup>.

Why stop with energy?

- US \$13 billion a year would feed all of the 30,000 children a day who die from hunger.

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- US \$10 billion would curb the spread of AIDS in Africa where 6,000 people a day die from the disease.

## References

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3. [A Decade of Dirty Tricks, ExxonMobil's attempts to stop the world tackling climate change](#). Greenpeace, May 2002.
4. Wall Street Journal, 13,01,03.
5. [ITDG "Sustainable Energy for Poverty Reduction"](#), (ITDG, IT Consultants, IT Power and ITDG Latin America and Greenpeace, p. 65, Intermediate Technology Development Group, The Schumacher Centre for Technology and Development, Bourton-on-Dunsmore  
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6. [Danish Wind Industry Association](#): calculation based on 1998 figures provided.

