



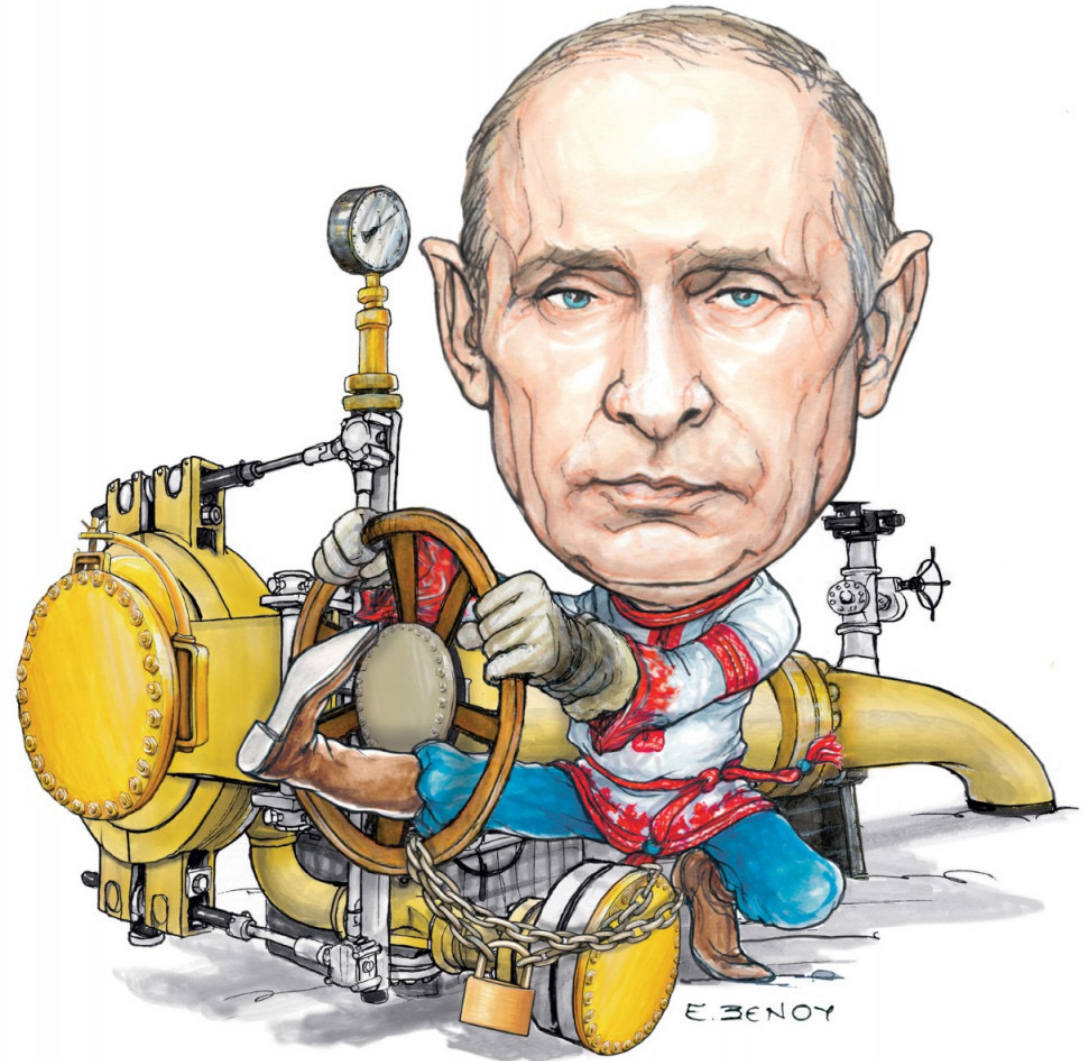
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Energy Geopolitics

Energy as a part of grand strategy

Strategy : Ends - Means - Ways

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Energy as an **End** ⁽¹⁾

Direct Examples:

- Germany in WW2, Baku
- Japan in WW2, Borneo
- Perception of the motives of the Soviet Union invasion in Afghanistan (1979)
- Iraq in Kuwait (1990)...control 19% of global oil reserves
- Fear of market dominance: 44% of global oil reserves if Iraq invaded S. Arabia after Kuwait
- Turkey in eastern Mediterranean (blue homeland)
- China in South China Sea
- Arctic play

Energy as an **End** ⁽²⁾

Indirect Examples:

- US in Iraq 2003, deprivation of Iraqi oil revenues directed to nuclear weapons
- Turkey in Libya
- Chinagoing out strategy in Africa....buying up aggressively energy resources

Energy as a **Way** ... as a tool, as a weapon

- 1973 oil embargo ...OPEC as a cartel
- 1956, 1967 disruptions
- Threats to close transit routes, Iran the straits of Hormuz (20% of the global oil transit)
- Russia in Ukraine 2009, 2022
- US sanctions against Iraq, Iran, Libya, Sudan, Russia
- Receive protection: China-Iran in the UN
- Provide energy to allies: US in WW2
- Energy as subsidy to Allies: USSR, Iraq, Venezuela
- National oil and gas corporations to finance Sovereign wealth funds
- Energy revenues finance geo-economic plays
- Energy revenues to finance propaganda (Al Jazeera)
- European sanctions against Russia 2022

Energy as a Means

- Exports of energy as an economic resource for energy exporters (S.Arabia, Russia, Gulf states, Brazil, Norway, UK, Angola, Mexico etc)
- Energy revenues as a means of external balancing: finance proxy wars, insurrections, civil wars, terrorism, revolutions, subversions
- Nationalisation of energy resources/ national champions

How to Reduce Dependence

- Import substitution ...quest for domestic energy (eg. lignite resources/ Bulgaria, gas/ Netherlands, oil/ Norway, nuclear / France)
- Internalise non extractive system activities (Netherlands /refinement, transportation, storage.)
- Reduce dependence through technological development (e.g. France/ nuclear, Germany/ renewable energy, USA/ shale)
- Energy conservation (China/EV policy)

Counter-dependency Strategies

- Diversification of suppliers (EU)
- Diversify among energy sources (China)
- Strategic stockpiles (IEA/ 90 days rule)
- Vulnerability management/ interruptible contracts (Germany, EU)
- Occupy energy sources (Japan before WW2, French/Mali/ uranium)
- Military protection of energy routes (WW2)
- Friendly coup d etat (Iran 1953)
- Control the politics of the energy producing countries
- Buy up energy resources abroad (China in Africa)
- Energy diplomacy (east med gas forum)
- Create interdependence (Germany and China with Russia)
- Become an energy hub (Switzerland / electricity hub)

Energy as a **Foreign Policy Tool**

- Manipulation of cross border flows (sanction, embargo, transit routes)
- Manipulation of prices (discount prices to allies)
- Dumping (China / solar panels, S. Arabia to fight shale producers)
- Manipulation of export controls/ system building
- Energy aid (Marshall plan)
- Preferred partnerships (US and S. Arabia, pipeline routes/ East Med/ avoidance of Turkey)

Table 1. Causal Pathways from Oil to International Conflict

Label	Causal Mechanism	Example
Ownership and Market Structure		
Resource Wars	Oil reserves (or perceived oil reserves) raise the payoff to territorial conquest.	Iraq-Kuwait, 1990; Chaco War; Japan, 1941
Risk of Market Domination	Conquest of (or threat) to key territories in oil market creates a risk for another state, often an importer, causing the state(s) to intervene.	U.S.-Iraq, 1991
Oil Industry Grievance	Presence of foreign workers in a petrostate creates grievances for state or nonstate actors.	Al-Qaida; Iran hostage crisis
Producer Politics		
Petro-aggression	Oil reduces the domestic accountability of petrostate leaders, lowering the risks of instigating wars.	Iraq-Iran; Libya-Chad-Egypt
Petro-insurgency	Oil income provides finances for foreign nonstate actors to wage war.	Iran-Hezbollah; Saudis in Afghanistan
Externalization of Civil Wars in Petrostates	Oil creates conditions for civil war, which then leads to foreign intervention, externalization, or spillover.	Libya-NATO; Angola-Cuba; Sudan-Chad
Consumer Access Concerns		
Transit Route	States' efforts to secure transit routes for oil create a security dilemma that produces or exacerbates conflict.	Sudan; South China Sea; Strait of Hormuz
Obstacle to Multilateralism	Importers' efforts to curry favor with petrostate prevent multilateral cooperation on security issues.	U.S.-China friction over Iran, Sudan

Table 1. Summary of Mechanisms Linking Oil to War

Mechanism	Requirements	Current Examples
M1 Military capability threatened by vulnerable access transport supplier facilities supplier willingness to sell	vulnerable oil dependence inadequate reserves	China?
M2 Economic prosperity threatened by vulnerable access	oil consumption (whether or not imported) global market economy sensitive to oil prices	Strait of Hormuz-Iran Saudi domestic instability
M3 Protecting access to oil threatens others → security dilemma	vulnerable oil dependence requirement to control common space	China and U.S. sea lines of communication to Northeast Asia
M4 Oil increases the value of territory direct conflict conflict via alliance commitment	greedy states disputed status quo	East China Sea South China Sea
M5 Oil-producing states launch wars that threaten access	revolutionary state oil producer	Iran
M6 Oil consumption reduces cooperation on shared security concerns	oil consumption (whether or not imported) global market economy sensitive to oil prices	China's reluctance to sanction Iran

