Globalizing West African oil:
US ‘energy security’ and the global economy

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Africa’s importance as an energy supplier to world markets has grown consistently since the end of the Cold War. Alongside other oil-rich regions outside the Middle East, such as Latin America and Central Asia, Africa—and especially the West African states of Nigeria and Angola—is seen as an increasingly attractive prize both by major energy-importing states and by transnational energy corporations. Cheap to refine, and with a low sulphur content, West African oil is particularly well suited to markets in North America and Western Europe. Moreover, the political tumult in North Africa and the Middle East, which was gathering pace at the time of writing (spring 2011), has added further to the importance of West African oil. This is true in an immediate sense, as the conflict in Libya has a direct impact upon the availability of high-quality ‘sweet crude’, of which West Africa continues to emerge as a viable alternative source of supply.1 But it is also true in a longer-term, strategic sense. A range of popular and revolutionary forces across the Middle East and North Africa have been emboldened, and are now posing a more sustained challenge both to the forms of control traditionally exercised by pro-western governments and to those wider forms of political stability which have underpinned energy markets for decades. We shall have to wait to see how this challenge, and responses to it, play out on the ground; but if nothing else, the regional crisis has yet again thrown into stark relief the fragility of global energy security. In particular, the reliance on oil from the Persian Gulf has long been identified as an Achilles heel in both the national security of importing states and the global economy more broadly.

The United States has led the way in developing a broad global energy security strategy centred on a push to diversify the supply of energy—and of oil in particular—away from the Persian Gulf.2 West Africa plays an important part in this strategy, and the US has emerged over the last decade to stand now as one of the key players in African energy politics. This article charts the contours of US

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2 For our full argument in this respect, see Doug Stokes and Sam Raphael, Global energy security and American hegemony (Baltimore, MD: Johns Hopkins University Press, 2010).
strategy towards oil-rich West Africa, and sets it within broader understandings of America’s oil-related interventions across the globe. In so doing, we make four key arguments.

First, we argue that, since the end of the Cold War, West Africa has increasingly formed a core part of a broader American global strategy of energy security through diversification. We argue that there has been an important and clear strategic continuity between the Bush and Obama administrations, with the central objectives of the American state in relation to oil-rich states in West Africa remaining largely unchanged. This observation stands in marked contrast to claims that the change in administration at the beginning of 2009 prefigured a profound shift in US foreign relations in the coming decade. As Obama’s National Security Strategy makes clear: ‘As long as we are dependent on fossil fuels, we need to ensure the security and free flow of global energy resources.’ We argue here that this overarching objective in relation to energy security is not significantly different from that of past administrations (despite a renewed emphasis on ‘clean’ energy development to alleviate American dependence on foreign sources of oil) and continues to frame US strategy towards, among other regions, West Africa.

Second, we discuss how this objective has, in the context of West Africa, led to an acceleration in the deployment of US military and economic power in the region. Through the creation of a new Combatant Command, a significantly increased naval presence and expanded security assistance programmes, as well as through trade legislation and economic assistance, Washington has sought to entrench its hegemonic position in the region.

US oil-related interventions in West Africa since the end of the Cold War have been conceptualized in certain strands of academic debate as instances of a ‘new oil imperialism’, within which struggles over oil have the potential to form a crucial axis of future Great Power conflict, especially between the US and China. Our third argument contends that this thesis overemphasizes potential strategic conflicts without taking into account the ways in which the forms of globalization promoted by Washington since 1945 have actually served to reduce interstate conflict. Specifically, the US has long sought to ‘transnationalize’ economies in strategically important regions of the globe, rather than pursue a more mercantilist form of economic nationalism. This logic also applies to the American energy security agenda and we argue that US oil intervention in Africa conforms to this broader picture.

Finally, we examine how this broader logic determines the particular forms of statecraft deployed by the US in the region. We argue that US military strategy towards West Africa needs to be read largely as an attempt to ‘armour’ the concomitant economic strategy, which is itself orientated around the reconfiguration of oil-rich political economies in order to enhance the terms under which transnational capital can invest in the oil sector. Ultimately, while hedging

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against growing Chinese influence clearly remains a concern among American planners, the US has not attempted to use its influence in Africa to serve purely national interests through the creation of closed economic spaces buttressed by military power. It has instead sought to lay down the legal, political, economic and strategic frameworks within which the oil-rich region can be incorporated within the American-led liberal global order overall, for the benefit of all key actors within the system.

West African oil and US interests

Oil released onto international markets from West Africa forms an important element of overall global supply, and US planners are well aware of this fact. Proven oil reserves in states in the region, orientated around the Gulf of Guinea, together amount to over 58 billion barrels of oil—exceeding the reserves proven to lie around the Caspian Basin, equivalent in size to deposits in the US and Canada, and equivalent also to the entire stock of Western Europe and the Asia-Pacific region combined.4 Crucially, current and future production levels provide the potential for the region to act as a ‘fill-in’ for Persian Gulf supplies, should these experience significant disruption. With production levels hovering between 4 and 5 million barrels per day (bpd), oil from West Africa may at present contribute only around 6 per cent of overall world production. However, three factors elevate the importance of this production.

First, the exceedingly small domestic consumption levels in West Africa ensure that a much higher than average proportion of oil production is released onto global markets. In 2009, for example, Nigeria exported 1.9 million bpd, out of a total production level of 2.2 million bpd.5 In percentage terms (86 per cent), this outstrips production–export ratios from many other oil-producing regions.6

Second, chronic political and economic instability in the region has led to underinvestment in the oil sector for a number of decades, and there exists the potential to increase production in coming years. This is especially true with regard to the two ‘oil giants’ in the region, Nigeria and Angola. Together, these states hold almost 90 per cent of the region’s proven oil reserves, and are responsible for around 80 per cent of production. Moreover, production levels in these two countries are forecast to increase significantly towards 2025, as new projects come on stream and oil companies begin to fully exploit what the US Department of Energy has termed the ‘stunning’ exploration success rate in the Gulf of Guinea. Indeed, the department’s 2010 International Energy Outlook considers the coast of West Africa to represent ‘a new frontier for the petroleum industry’, with

6 For example, whereas Latin America produces 6–7 million bpd, domestic consumption is relatively large, leaving only 16 per cent of its oil production for export outside the region.
an ample ‘potential resource base offshore West Africa’ and production within the region ‘still in its infancy’. In the last decade, fields of astonishing size have been discovered and, together with an underexplored Chad now linked to the coast via the Chad–Cameroon pipeline, these paint a rosy picture of West Africa’s future contribution to global oil markets.7

Of course, realizing this potential is by no means a given, and is highly dependent on maximizing political and economic stability in ways that are favourable to investment and continued operations by energy corporations. This is a point well understood by US planners and, as we discuss below, an imperative that informs the nature of American strategy towards the region. Overall, however, the region’s production rates are forecast to rise, with a projected lack of significant industrialization in the region ensuring that most of the additional oil will be released onto world markets. This is, it should be noted, a trend not expected in some other exporting regions, where additional local consumption is projected to match or outstrip additional future production (leading either to a net small increase, or even a reduction, in exported oil).

Third, energy planners are attracted to the location of the reserves, many of which sit under the Atlantic coast, or in the open oceanic water of the Gulf of Guinea. Unlike oil from the Persian Gulf or the Caspian Basin, much of the region’s oil passes through no immediate strategic chokepoints or unstable regions in order to reach its destination.8 Understandably, this is an attractive feature of the region for those concerned with increasing the stability of global supply.

Together, increased production activity, low domestic consumption and the unproblematic transport of a large proportion of exports to their destinations ensure that the region has the potential to play an important role in stabilizing world oil markets. Although it contributes relatively little in absolute terms when compared to the Middle East, these factors mean that the region could (depending on capacity) potentially act as a ‘swing producer’, allowing oil companies to leverage export levels in response to changes in world demand, export levels from other regions, and the security of transport routes along which the majority of oil passes. Through increasing production at relatively short notice, and with the liberty of exporting the entirety of this excess to world markets, oil companies operating in West Africa can, in theory at least, act quickly and securely to alleviate pressures in the market arising elsewhere in the system.

The characteristics of the region’s oil sector fascinate US planners, and the importance of this oil has driven American strategy towards West Africa since the late 1990s. In an early statement of intent, in 1997 President Clinton’s Secretary of State Madeleine Albright flew to a Chevron oil platform off the coast of Angola, where she declared for the world’s media that she stood in ‘one place where Africa’s economic promise is coming a reality’, and that the US ‘had important

8 This is not true of all the region’s oil, some of which does need to be transported across politically unstable ground—a point we address below.

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International Affairs 87: 4, 2011
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national interests in helping’ this along, with ‘our economic interests . . . directly connected to the prospects for long-term stability’ in the region.9 Interest in the region also informed Clinton’s 1998 National Security Strategy, which made clear that a key US priority in the region was ‘unhampered access to oil and other vital natural resources’.10

It was with the election of President Bush, however, that this objective gained significant momentum. In the first months of 2001, Vice-President Dick Cheney chaired the National Energy Policy Development Group, tasked with examining the question of US energy security and designing a robust American strategy for the twenty-first century. Released in May 2001, the final report noted the ‘fundamental imbalance between supply and demand’ within the US, where ‘our projected energy needs [are forecast to] far outstrip expected levels of production’. In the light of this assessment, the Group noted the threat posed by any ‘significant disruption in world oil supplies [which] could adversely affect our economy and our ability to promote key foreign and economic policy objectives’. Washington was urged to ‘strengthen our own energy security … by working cooperatively with key countries and institutions to expand the sources and types of global energy supplies’.11 As Bush made absolutely clear when discussing the Group’s findings: ‘What people need to hear, loud and clear, is that we’re running out of energy in America. And so it’s important for this nation to improve its infrastructure so that we can not only deliver supplies, but we need to go find new supply.’12 In relation to West Africa, the region was identified as ‘one of the fastest-growing sources of oil and gas for the American market’. The high quality of the region’s oil—in particular its low sulphur content—makes it especially ‘suitable for stringent refined product requirements’ and gives it ‘a growing market share for refining centres on the East Coast of the United States’.13

This priority of developing access to the region’s oil continues to act as a key driver of US policy in the Obama administration. Indeed, the administration’s first budget request for foreign assistance to the region, submitted in early 2009, continued to frame the Gulf of Guinea off the coast of West Africa as ‘oil-rich’ and ‘strategically significant’, and used this characterization as a rationale for urging increased attention by US planners.14 Angola and Nigeria are two of only three African countries that have been granted access to enhanced US political and

economic engagement, through a Strategic Partnership Dialogue (SPD). The security of the region’s energy sector remains the primary interest of the US in this context. Indeed, in practice the SPD consists of two working groups, one based on ‘security cooperation’ and one based on ‘energy cooperation’, both of which involve high-level representatives from both governments, alongside representatives from the private sector. As Bruce Wharton, Deputy Assistant Secretary of State for African Affairs, stated in January 2011, ‘it is pretty clear that oil and petroleum dominates African exports to the United States’, and establishing such agreements with major oil producers on the continent is a strategy designed to ‘unpack, unbundle, a very large and complicated relationship that includes economics, that includes trade issues, that includes energy issues’. Alongside increasing diplomatic and economic ties with the region, the US has been working steadily to enhance its strategic position in the region, with an eye to buttressing its oil interests. It is to the question of American strategic positioning in the region that we now turn.

Securing US interests in the region

US interest in securing access to West African oil is translating into an enhanced strategic presence in the region. Historically, the region was encompassed within the area of responsibility of US European Command (EUCOM), a decision reflecting the traditional subordination of Africa to wider geopolitical concerns. However, by 2006, as the strategic significance of the region’s oil reserves was becoming more apparent in Washington, EUCOM staff were finding that they were spending more than half of their time focusing on the region, up from almost none three years previously. Under EUCOM, the US naval presence and operational activity in the region accelerated significantly, with high-level defence officials declaring that US carrier groups were likely to spend significant time ‘going down the west coast of Africa’, in a move designed to provide ‘a sure sign of this commitment’ to assisting in the provision of stability in the region.

The desire by US planners to establish an enlarged presence in the region led to an explicit focus on forward operating locations (FOLs; also known as forward operating sites, FOSs) as a basis from which to project power. Such facilities represent a ‘family’ of military bases across the globe that have little in the way of permanent staff or facilities, but which could be rapidly upscaled to serve either

15 The third is South Africa, the United States’ only significant non-oil-rich trading partner in sub-Saharan Africa.
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small units of special forces or larger, brigade-sized units if the need arose. Such a network of facilities can provide substantial benefits compared to permanent bases, given that it allows for an increased strategic footprint in the region, and enhanced relationships with local militaries, without the need to invest in (and then protect) a significant physical presence.\(^\text{21}\) Several sites for an FOL in West Africa have been explored, as wariness over a permanent military presence continues among the region’s governments.\(^\text{22}\) Initially, it was the islands of São Tomé and Príncipe, at the centre of the Gulf of Guinea and within easy striking distance of the oilfields of West Africa, which received most attention from US planners. The islands were visited by high-ranking commanders in EUCOM on several occasions in 2002 and 2003, and further discussions were held between President Fradique de Menezes and the Pentagon, National Security Council and State Department.\(^\text{23}\)

This interest resulted in the US Trade and Development Agency announcing in 2004 that it was financing a feasibility study for the development of a deepwater port and expanded airfield facilities on the islands.\(^\text{24}\) Plans have continued under Obama, with increased military training provided to professionalize security forces, improve maritime security capabilities, and address port security in the strategically located islands.\(^\text{25}\) In addition, Ascension Island has played host to an expanded US military presence, having been identified as ‘critical to the strategic transport network supporting US Africa Command—extending our operational reach to the west and southern Africa’.\(^\text{26}\)

Indeed, it was the creation of a new Pentagon Combatant Command—Africa Command (AFRICOM)—in 2007 that helped to consolidate Washington’s strategic push into oil-rich West Africa. For the first time, the US military posture towards the region is now coordinated within one command structure. Of course, the creation of AFRICOM, and the higher priority thereby accorded to the region in the minds of US planners, is not solely reducible to oil interests. Wider economic stability, poverty reduction, conflict resolution, counterterrorism and counter-narcotics, and infrastructure building are all elements of Washington’s objectives in the region. However, the fact remains that oil forms the primary interest, and

\(^{21}\) As Kenneth Mooreland, US ambassador to Gabon (and therefore the key US diplomatic link with São Tomé and Príncipe), stated: ‘There are different ways of assuming a strategic presence. It doesn’t necessarily have to be a base or a port with all the commitment and investment that implies. You have to build the damned thing, and then, God knows, you have to protect it. But if you believe that this is an area of enhanced strategic importance, and I do, then the U.S. must adopt a new level of relationship with the region. If you see that fifteen per cent of our oil comes from this area, and this could soon be thirty per cent, then x plus y makes z. It doesn’t take a genius to work that out’: Jon Lee Anderson, ‘Our new best friend: who needs Saudi Arabia when you’ve got São Tomé?’, New Yorker, 7 Oct. 2002.


significantly determines the nature and direction of US strategy towards West Africa. Pentagon officials are not shy in declaring this to be so. Summing up the rationale for the increasing American presence, the Commander-in-Chief of EUCOM, James Jones, made clear at the time that ‘Africa’s vast potential makes African stability a near-term global strategic imperative’. Strategy papers released by the Pentagon have stressed the ‘increasing importance’ of ‘Africa’s mineral and oil wealth’, and the links between these resources and American national interests.

Senior US planners have continued to emphasize the importance of African oil: Ambassador J. Anthony Holmes, AFRICOM’s Deputy to the Commander for Civil–Military Activities, argued in January 2011 that all the US wants is to ‘ensure that the system operates without disruption’ which is a very ‘important issue for us. It is absolutely essential to our security interests, globally, in addition to Africa … I can tell you without any hesitation or doubt that what you’re describing is a global phenomenon based on supply and demand for energy resources in a global market.’

The enhanced US strategic presence in the region has led to accelerated levels of assistance to key West African states. Substantial levels of both economic and security assistance now flow into the region, and these are increasingly defined in terms of the energy resources that West Africa holds. For example, the Bush administration justified its assistance to Nigeria by reference to attempts to build ‘a strategic relationship’ with the country, with assistance focused on ‘economic progress and democratic consolidation’ in order to ‘make it a reliable and increasingly important trading partner’. Specifically, programmes were directed towards US interests in the country, which included its ‘large oil and gas reserves’ and, crucially, the avoidance of any ‘disruption of supply from Nigeria [which] would represent a major blow to the oil security strategy of the US’. Likewise, assistance to Angola was geared towards the fact that the country’s oil production ‘is expected to reach to two million barrels per day by 2008’, with attracting and sustaining foreign investment in the sector a key policy objective. Washington has ramped up levels of security assistance: millions of dollars’ worth of military equipment were sold or granted to Nigeria and Angola by the Bush administration, through the key security assistance programmes such as Foreign Military Financing (FMF) and Foreign Military Sales (FMS), as well as through the licensing of direct sales from US defence companies. In addition, President Bush used

emergency legislative mechanisms to authorize the drawdown of US$4 million worth of military hardware from the Pentagon’s stock, specifically to bolster Nigeria’s military capacity. Military training programmes were also accelerated, as Nigeria became the second largest African recipient of funds from the International Military Education and Training (IMET) programme. In 2006, almost US$800 million was allocated to the country, while Angola received another US$400 million. In 2002 Pentagon officials noted that, while IMET relationships with the region had been sketchy in the past, the situation was ‘improving’. The Obama administration has not only maintained this aid, but has increased it by over 30 per cent. As Senator James Inhofe declared in March 2009 during testimony by AFRICOM’s Commander-in-Chief General Ward: ‘You know, once there was a time when we thought we were doing them a favour in this program [IMET]. But quickly we learned that once they are tied into us, that kind of relationship remains.’

Overall, US oil interests in West Africa have grown increasingly central to energy planning in Washington, and American strategic power is now deployed as never before in order to secure these interests. And in so doing, the US has had to contend with the fact that other Great Powers—notably China—have also been deepening ties with the region. Indeed, many commentators have pointed to what they see as a geopolitical struggle between the world’s great and emerging powers, as they vie for control of the region’s energy prize. It is to this matter that we now turn.

Great Power politics in the region: a new ‘scramble for Africa’?

An increased American strategic presence in West Africa may have been the most significant manifestation of attention to the region from outside, but it has not been the only one. In particular, Beijing has been greatly enhancing the depth of its engagement with oil-rich states in the region. Two-way trade between China

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and Africa has mushroomed from less than US$1 billion in 2000 to a conservative estimate of over US$110 billion in 2011. Investment in the African energy sector is the key focus of Beijing’s strategy. The volume of trade between Nigeria and China alone has risen from US$2.3 billion in 2007 to at least US$7.5 billion in 2010. Likewise, China established a strategic partnership with Angola in 2010, in which a deepening of energy cooperation was one of the key points. In many cases, Chinese state-owned companies have been practising old-fashioned direct acquisition. By undercutting tenders from western-based energy corporations through economically unviable bids, tied to political promises of associated economic aid and investment, Beijing is buying itself direct access to African oil. Chinese acquisitions have grown exponentially over the last decade. In 2004, for instance, the Chinese state oil corporation Sinopec signed an agreement with Gabon’s Bongo administration which would allow the company to explore for oil and build a refinery, in order to supply Beijing directly with 20,000 bpd. Likewise, China reached an agreement with Angola for the direct provision of 10,000 bpd of oil, in exchange for US$2 billion in economic aid. Agreements were also reached with the regime in oil-rich Chad. Most significantly, Chinese oil companies have struck large deals in Nigeria, buying major stakes in offshore and onshore fields, and gaining the go-ahead to build refineries and pipelines while buying up foreign companies involved in the extractive industry. For example, Sinopec acquired Addax, a Swiss-based oil and gas explorer, for US$7.2 billion in 2009: to date, one of the largest acquisitions in the industry’s history. Much of this has activity has been accompanied by promises of investment in the country’s infrastructure, as well as the provision of military assistance to the government.

Chinese strategy in this respect is driven by deep concerns in Beijing over the rapidly expanding Chinese economy, the consequent increases in oil demand within China, and the strategic control of the Persian Gulf held by its competitor (and potential future rival), the United States. Annual oil consumption in China is set to more than double by 2030, by which point it is forecast to outstrip the US as the leading energy consumer. Moreover, relatively static levels of Chinese domestic production will ensure that this extra oil will need to be imported. Chinese leaders will need to acquire an additional 8.6 million bpd from foreign sources by 2030, almost quadrupling the amount of oil imports required. And while the structure of the current oil market allows Chinese needs to be met alongside those of every other consumer (the US included), there is a sense of deep

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concern in Beijing about the sheer degree of American dominance over Persian Gulf oil, and the consequent ability of Washington to control the flow of oil during any potential future disruption in Sino-American relations. As a result, Chinese planners are, to a certain extent, acting in oil-rich regions across the world—including Africa—to secure influence with key producers, and in many instances to conclude bilateral deals that enable oil to be traded outside the global marketplace. Instead of purchasing this oil via the market, and therefore paying the market rate, China has increasingly entered into negotiations with oil-rich states over the price of a set amount of oil, or over the rights to explore for, extract and directly repatriate specific reserves. As such, American and Chinese strategies in West Africa are seemingly at loggerheads, with each power seeking to control significant aspects of oil production and exportation in the region.

Theorizing energy security in Africa: a new imperialism?

Enhanced strategic rivalry between Washington and Beijing in Africa has not gone unnoticed, and a number of analysts have turned their attention to this so-called ‘oil rush’ in the region. In particular, what might be called a renewed ‘oil imperialism thesis’ has emerged in relation to Africa, which posits a post-Cold War struggle for the continent’s oil between the Great Powers, in particular the US and China. Some proponents of this thesis argue that the struggle is leading to ever-increased geopolitical competition between states, with a distinct potential for interstate conflict in the future. For example, one leading critic of US oil policy contends that the race for resources between major states is now ‘one of the most conspicuous features of the contemporary landscape’, and that there now exists a ‘voracious, zero-sum contest that, if allowed to continue along present paths, can only lead to conflict among the major powers’. Africa is a fulcrum of this contest, with geopolitical competition between external powers returning to the continent ‘in a major way’. Daniel Volman has argued that US strategy, driven by ‘the growing demand of American consumers and producers for energy’, and seeking to ‘maintain American prosperity’, can be explained in terms of its part in a Great Power ‘scramble’, with the world’s largest oil consumers showing ‘extraordinary interest in the development of African oil reserves, [and] making huge bids for whatever exploration blocks become available’. In this reading, the pursuit of African oil has ‘taken on the character of a gold rush’, and the US in particular is positioning itself in order to—at some point in the future—use ‘military force to make sure that African oil continues to flow to the United States’. In general


terms, this thesis draws support from the growing role that West Africa plays as an exporter of oil to the US itself. No less than 40 per cent of Nigeria’s oil exports head westwards to the US, with Nigeria standing as the fifth largest source of oil imports to the US, and Angola the eighth. Moreover, the US National Intelligence Council has forecast that US oil imports from Africa will rise to 25 per cent of total imports by 2015, ensuring that the region plays a direct role in sustaining American energy needs. Likewise, the growing transport of oil from the region directly to China helps feed the argument that an imperialist race for resource control is under way.

Overall, such analyses emphasize a realist zero-sum interpretation of geostrategic affairs in the region, whereby officials from competing powers are seeking to maximize their countries’ respective national interests through securing strategic crucial oil reserves against the backdrop of interstate competition. We would not deny that real tensions exist around the desire on the part of American and Chinese planners to access sufficient energy supplies for the requirements of their economies. Indeed, to the extent that Chinese activity in oil-rich Africa is designed to establish bilateral deals with oil-rich African states that operate without reference to American strategic power, it does present a challenge to US hegemony in the region, and therefore a threat to core US interests. In turn, there is some validity in viewing Washington’s increased activity in the region as an attempt to counter growing Chinese influence, and to ensure that West African oil does not become ‘locked up’ by Beijing. However, we think it is important to broaden the picture somewhat and move away from a narrow conception of ‘oil imperialism’. In particular, we would argue that the assumption of innate geopolitical rivalry is not sufficiently attentive to the largely positive-sum nature of US global hegemony, and the dense economic and political linkages which now exist between alleged rival core powers and regions. That is, accounts that stress the potentiality for interstate conflict over energy resources either ignore or downplay the transnational aspect of the American state’s role within the historical development and internationalization of global markets, and the way this has translated into its role within global oil markets.

Put simply, since the Second World War the US has deployed its power to construct a world order that has American economic and political interests at its apex, but also pays sufficient attention to the strategic requirements and interests of rival core powers, where these powers have proved suitably receptive to US dominance within the system: what we might call the pursuit of global hegemony. This objective has required a strategy to ensure that existing or emerging rivals
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are not only contained, but also incorporated into the US-led system. That is, Washington has worked to integrate other powers within the US-led liberal order, thereby pacifying potential competitors for hegemony and neutralizing the perceived need by others to ‘balance’ against American power. A key element of this project has been its role in the liberalization of the global economy, which satisfies not only US national interests but the interests of other key allies. In this way, US power provides a set of ‘public goods’ through the promotion of positive-sum trade, while the role of hegemonic stabilizer also serves to cement its position as the global hegemon through fostering forms of geopolitical and economic dependency on US power itself. This framework—based on an open-door trading regime underpinned by American military might—has evolved steadily throughout the postwar era, and an unwavering commitment to the policing and reproduction of this particular form of global economy has underpinned America’s consolidation of its position within the system. In essence, the US has assumed a protectorate role in relation to the core powers, integrating them within a system maintained and defended by Washington and promoting forms of economic interdependency with the American economy. In so doing, Washington has sought to pacify geopolitical rivalries among the core powers while assuming a global responsibility for containing and rolling back alternative political and economic systems, and in particular for policing the increasingly restive developing world.47

US oil-related interventions across the globe fit these wider patterns of US statecraft in the postwar era. They have not been designed principally to extract oil for the sole benefit of the United States, or even primarily for US oil companies. Instead, such interventions have been intended to facilitate the integration of oil-rich political economies into the wider global economy, for the benefit of all major players within it. US strategy is designed primarily to open up oil-rich political economies as productive circuits for the global economy as a whole.48 Thus, when Volman argues that, ‘as a matter of policy, the Bush Administration [encouraged] greater oil production throughout the world to enhance the diversity of sources for oil available for import and to make sure that American industries and consumers (particularly car owners) can get cheap and reliable supplies of oil’, he is in fact only half right.49 The administration’s policy has fostered diversity in supply for American and other industrialized powers and the corporations from those states. Of course, the question remains as to why the US has pursued what appears to be a rather benign form of global oil order. While some would explain this by reference to the supposedly uniquely benign nature of American power in the postwar era, we would argue that underpinning this strategy is a clear national logic, whereby American interests in particular are served by an

47 For a range of competing political interpretations of this process, see e.g. G. John Ikenberry, Liberal order and imperial ambition: essays on American power and world politics (Princeton, NJ: Princeton University Press, 2006); Gabriel Kolko, Another century of war (New York: New Press, 2002); Andrew J. Bacevich, The limits of power: the end of American exceptionalism (New York: Holt McDougal, 2009).
48 Stokes and Raphael, Global energy security and American hegemony.
existing global order which is, in turn, largely dependent on American power. In this sense, we would agree with Zbigniew Brzezinski, President Carter’s former National Security Advisor and now senior foreign policy adviser to the Obama administration. Brzezinski has argued that America has major strategic and economic interests in the Middle East that are dictated by the region’s vast energy supplies. Not only does America benefit economically from the relatively low costs of Middle Eastern oil, but America’s security role in the region gives it indirect but politically critical leverage on the European and Asian economies that are also dependent on energy exports from the region.50

Although Brzezinski’s point relates to the Middle East, we can extend the generic strategic logic to other oil-rich regions within the global economy. By becoming the key external guarantor of stability in regions that are crucial to the interests of other powers, the US not only provides a set of ‘public goods’ for all major states; it also derives a form of ‘structural power’ over these states, that is, the power to shape the terms on which crucial needs are satisfied.51 This is an important logic of US hegemony: by establishing an environment beneficial to all core powers, it also entrenches US primacy over those potential rivals by reinforcing the framework through which their needs are met. In turn, this reinforces their dependence on US power and prolongs the US-led system, even in the face of the much-trumpeted global shift in power distribution towards East Asia.

In sum then, US policy in relation to oil markets is based not on a narrow mercantilist logic of creating closed spaces for the fulfilment of national interests, but rather on a liberal logic of creating open spaces for the fulfilment of both national and transnational interests. The US becomes the first among equals and gets to stabilize the system within which other powers’ interests are met. As Ikenberry argues in the context of American strategic planning, the key question facing the US today is: ‘What sorts of investments in global institutional architecture do I want to make now so that the coming power shifts will adversely impact me the least? That is, what sorts of institutional arrangements do I want to have in place to protect my interests when I am less powerful?’ Ikenberry answers that the US should ‘try to embed the foundations of the Western-oriented international system so deeply that China has overwhelming incentives to integrate into it rather than to oppose and overturn it’.52 This is the logic which has most clearly directed US strategy, both globally and in the context of securing African oil.

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Transnationalizing African oil

We would argue, then, that US oil policy in Africa broadly aligns with US oil policy elsewhere: it has sought to transnationalize key oil-rich economies, thus embedding them into the broader global economy, which in turn opens them up to a broad array of investors on a non-discriminatory basis. In this sense, the US strategic push into West Africa has been designed to underpin a concomitant attempt to open up oil-rich economies in the region and further integrate them into the global economy. And this in turn can be read largely as an exercise in global hegemonic leadership, maintaining Washington’s position as central to the current economic order.

Foreign direct investment in the region’s oil sector has been truly global, with corporations from around the world establishing a presence in West Africa. Companies operating in Nigeria include the Dutch company Shell (the largest and longest-standing operator in the country), alongside the US companies ExxonMobil, Chevron and ConocoPhillips, the French company Total, the Italian company Agip and the Chinese National Offshore Oil Corporation. International oil companies operating in Angola include BP (UK), Chevron, ExxonMobil and Occidental Petroleum (US), Eni (Italy), Total (France), Maersk (Denmark), Statoil (Norway) and Sinopec (China). Similarly, the Chad–Cameroon pipeline is operated by an international consortium led by ExxonMobil, with major involvement by Chevron and the Malaysian firm Petronas, while Canada’s Energem Petroleum Corporation has exploration rights in Chad. This global corporate presence in the region is fully aligned with US interests: as long as the oil they produce is released onto world markets, investment and production by Malaysian, British and Chinese companies contribute as much to US energy security as do the activities of US companies themselves.

This is clearly understood by US planners. For example, Ambassador Holmes has argued that while it is in the US’s national interest to be ‘able to continue to receive Nigeria’s exports of petroleum and natural gas’, this interest does not translate into a zero-sum logic in respect of other states. Holmes continued that ‘much has been made of a reputed American–Chinese rivalry or struggle for resources in Africa. This is largely nonsense.’ The United States and China have identical interests, he argued, in ‘access to the means to exploit the resources, infrastructure to get those resources to market and then a system that delivers them efficiently to be consumed’. He continued that the ‘reality is that the petroleum system in the world is an integrated one. It is a global system of supply, of which Nigeria and the rest of Africa is a part, and it is a global system of demand.’ This approach has been further entrenched through high-level meetings between Chinese and US representatives: President Obama’s former Director of National Intelligence, Dennis Blair, has declared that the US and China have parallel oil market interests and a Chinese embassy official has similarly argued that ‘China and the US have shared interests in safeguarding energy security and developing new energy’, with

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*International Affairs* 87: 4, 2011
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China viewing potential strategic ties as a means to ‘enhance cooperation with the US for win–win results in this field’. With this objective in mind, successive administrations in Washington have sought to further integrate the oil-rich political economies of West Africa into the global economy, so as to facilitate inward investment from oil transnationals. In just one of many US government programmes, the Bush administration’s highly trumpeted Millennium Challenge Account (MCA), continued by the Obama team, specifically links extensive new bilateral development aid funds to the removal of barriers to investment and trade. Indeed, to become eligible for MCA funding, countries must prove ‘demonstrated commitment to economic policies that encourage individuals and firms to participate in global trade and international capital markets, promote private sector growth and the sustainable management of natural resources, protect private property rights [and] strengthen market forces in the economy’. In determining whether a country should receive funding, Washington evaluates the government’s record on enacting the core agenda of the neo-liberal project. Overall, MCA funds are limited to those countries adopting neo-liberal reforms and ensuring that ‘state intervention in the goods and land market is generally limited to regulation and/or legislation to smooth out market imperfections’. To date, 65 per cent of the MCA’s funds have gone to Africa, and the Obama administration has requested US$1.125 billion for the MCA in the 2012 budget.

US efforts to embed free markets in Africa were also accelerated with the passage of the African Growth and Opportunity Act (AGOA) in 2000. Introduced by the Clinton administration, and maintained by both the Bush and Obama administrations, this key legislation is specifically targeted at the elimination of barriers to trade and capital flows in sub-Saharan Africa, and the widespread privatization of key state-owned industries. By restricting the considerable preferential trade deals on offer to those states that move forward with a neo-liberal reform agenda, AGOA forces African states to establish and extend a market-based economy, to minimize any government interference through price controls, subsidies and state ownership, to take significant steps to protect private and intellectual property rights, and to guarantee a return for international investors through engagement with a rules-based trading system. An annual eligibility review process ensures that the US can put pressure on individual states to maintain or accelerate the pace

56 Including the degree of state intervention in the economy (and any subsidization of ‘uncompetitive industries’); the ‘efficiency’ of the tax system (including the presence or otherwise of ‘pro-investment tax policies’); the development of employment law which ‘provides for flexibility in hiring and firing’; investment attractiveness (including, crucially, any ‘legal restrictions on ownership of business and equity by non-residents’); and the ‘participation of the private sector in infrastructure projects’ (including the ‘openness of the public sector contracts to foreign investors’).
Globalizing West African oil

of economic reform.59 As a consequence of this push by Washington, substantial investments have been made by foreign corporations. Between 2004 and 2006 FDI in Africa doubled to a record US$36 billion, ‘spurred by the search for primary resources and increased profits and by a generally improved business climate’,60 with substantial increases until the financial crisis of 2008, after which FDI dropped off from a record high of US$87 billion to US$55 billion in 2009.61 A large proportion of this investment has occurred in the oil sector. For example, the primary beneficiary of the AGOA trade regime has been capital invested in the oil sector: within its framework, fully 93 per cent of all imports into the US in 2006 came from the oil sector, with more than 80 per cent of exports by early 2011 continuing to be in the energy sector.62

Overall, then, analyses that argue for the inevitability of interstate conflict as a result of resource struggles are not sufficiently attentive to the forms of economic restructuring and the globalizing logic inherent in US policy, and the ways in which these work to mitigate the likelihood of ‘resource wars’. US strategy is focused on the integration of oil-rich African political economies into the wider global economy, in order to facilitate investment by, and the operations of, energy transnationals. And it is this strategic objective which best explains the increase in US military engagement, as Washington seeks to ‘armour’ processes of globalization in the oil-rich political economies of the region.

Conclusion: ‘armouring’ the globalization of West Africa

In conclusion, we would pose the following question: given the overarching objective of integrating the oil-rich political economies of West Africa into the global economy, why have we witnessed an enhanced American strategic presence in the region, and what is the deployment of increased military power designed to achieve? Perhaps the key part of this story has not been the hedging against growing Chinese influence (although this remains a factor), but rather the use of security assistance to enable local states and forces to protect desired processes of economic reform. In other words, Washington has deployed coercive power in West Africa to ‘armour’ the forms of globalization which work to stabilize global energy security. A key tool in this process has been the provision of security assistance to local elites in order to bolster their capability to respond to challenges

‘from below’ (including those which directly threaten investments in the oil sector). As US planners have long recognized, ‘unhampered access to oil and other vital natural resources’ is severely affected by ‘continuing political instability in some African countries’. In particular, according to John Brodman, a senior official in the Department of Energy during the Bush administration, ‘internal sources of conflict’ in oil-rich Africa result in ‘economic, political, and security risks’ for investors, thus influencing their decisions about where to operate. Chronic instability in the region thus has significant potential consequences for US interests, particularly in terms of energy security, as there is a danger that it will result in an ‘unfavourable business climate [which] may keep needed resources locked away from development for a long time’. Indeed, this is a theme echoed by the US Department of Energy in 2010: while trumpeting the region as ‘the world’s next frontier for oil’, it cautioned that there remained ‘important considerations that may deter the region’s oil development’, including unfavourable investment climates, undue government interference and continuing political instability.

The concern over political instability has been reflected in US military planning, which has sought not so much to meet external pressure from rival powers as to build capacity within local security forces to suppress domestic and regional challenges to US-led attempts to transnationalize the region. This logic has been spelled out clearly by General Wald, who has stated that the Gulf of Guinea is ‘a region where stability is needed, especially for economic reasons’, and has made it clear that Pentagon objectives in the region are designed to maximize ‘governed domestic space’ in West African states in ways that ‘promote increased globalization of their economies’. As such, military cooperation with key states in the region is designed both to stabilize important regions (in order to facilitate investment in the energy sector) and to further integrate local forces into US-led security institutions. Funding for so-called ‘stabilization operations’ continues to rise, with the 2012 budget request noting that ‘Angola is the largest exporter of oil on the African continent’, and has ‘a capable military that today ensures its role as a stabilizing regional force’. IMET training in the country continues to be designed to ‘provide exposure to American values and institutions, and build a deeper military-to-military relationship with Angola’s forces’. Likewise, FMF funding for Chad is designed to secure parts and training for troop deployment aircraft (C-130s), in order to increase the capacity of Chadian forces to operate across their territory.

Overall, US strategy towards oil-rich West Africa can be understood as working to guarantee both regional political economies open to market penetration and state structures able to discipline social forces in the region, as and when they threaten the security of oil production and export. Whether this strategy will ultimately improve the stability of global energy security, or instead replicate the consequences of similar policy towards pro-US regimes in the Middle East and North Africa, we shall have to wait to see. What is clear, and what we have argued here, is that Washington’s current objectives in relation to the strategically vital oil-rich region of West Africa—and the strategy it has adopted to achieve these—dovetails with America’s wider grand strategy in the decades since the Second World War. In particular, our understanding of the nature of US oil-related interventions stands in contrast to those who predict a return to geopolitical rivalry, and a coming breakdown of the liberal economic order (including in relation to oil). In this light, Washington’s strategic push into Africa has been complemented by US pronouncements that Beijing’s objectives in the continent are not necessarily incompatible with US priorities and, in fact, may offer important opportunities . . . In general, we see China’s growing activity on the continent as a potentially positive force, [given that] we see [no] evidence that China’s commercial or diplomatic activities in Africa are aimed at diminishing US influence on the continent . . . Our goal, as with other areas of the world, is to engage Chinese officials to try to define and expand a common agenda for Africa that ultimately will serve both our national interests.68

As senior US officials have stated, none of the expanding Chinese interests in Africa is inherently threatening to US interests. We do not see China’s involvement, economic or diplomatic, in Africa as a zero-sum game.’ Consequently, ‘the important thing from the US perspective is to encourage China to become involved in Africa in a way that supports international norms’. Indeed, ‘our overarching goal remains to see China become a responsible stakeholder in the global system’, and ‘we see China’s involvement in Africa [as] a test case of its willingness to work toward the broader interests of the international system’.69 There is little sign that the global oil order, policed by the US military, will move from a relatively open, liberal system governed by market forces to a closed, mercantilist system. Such a development would return us to a form of global economy that predates the Second World War, undoes the complex forms of globalization fostered in the postwar period and, most importantly, destroys the very foundations upon which US hegemony is anchored.