

Adjustment of US Diplomatic Strategy in the Context of “Energy Revolution”

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Abstract—The “shale gas revolution” that broke out in the United States in 2008 is quietly changing global energy pattern. The United States depending on imported oil for long is expected to gain “energy independence” in the next 20 years. Subsequently, the behavioral pattern of the US diplomacy is also gradually shifting from “pre-emptive action” to “leading from behind”. While accelerating the pace of shifting its strategic focus eastwards, the United States without “oil burden” is speeding up its withdrawal from the Middle East by ingeniously adopting “selective engagement” and playing political game with Russia by taking advantage of the Achilles’ heel of European energy. Although there are signs of contraction in current US global strategy, however, with the sustained economic recovery and the materialized benefits of “energy revolution”, the United States will likely resume its active involvement in international affairs instead of maintaining its “strategic nonfeasance” posture within the next few years so as to reverse the unfavorable situation of its deteriorating hegemony.

Keywords- “Energy Revolution”; US Diplomacy; Strategic Contraction; “Retreat for Advancing”

I. INTRODUCTION

As the world’s currently largest energy consumer and oil-importing country, the United States has been increasingly dependent on the international energy, in particular, oil resources in the Middle East for more than half a century, significantly compromising its defense security policy and global strategic deployment. The continuous turbulence in West Asia and North Africa in recent years has triggered the strong concern of American politicians and scholars over the security of energy supply to the United States and also expedited the implementation of “Energy Independence” strategy. Since 2008, the breakthroughs in unconventional oil and gas development technology have been playing a helpful role in sharply increasing the production of domestic oil and gas. The United States is expected to shift from an energy consumer to a net exporter in the next 20 years, thereby attaining the objective of “energy independence” pursued by successive governments.

There is no doubt that a series of reforms in current US energy sector are not only helpful to reshape the US domestic political and economic landscape, but also to promote the transformation and updates of the US diplomatic philosophy and behavioral strategy, and then to exert a

significant impact on the energy patterns of future world and the development of international relations. This paper starts with shale oil and gas development led by the “energy revolution”, focuses on analyzing the key role of energy factors in the strategic adjustment to the US diplomacy, then reflects on the substance and future development of strategic transformation of US diplomacy, with a view to helping us to more accurately understand, study and judge the international political situation at present and in the coming period of time.

II. THE “ENERGY REVOLUTION” QUIETLY CHANGES THE UNITED STATES

In the context of technological advances and the climate deterioration, the unconventional energy development represented by the US “shale gas revolution” is imposing significant impact on the supply-demand relationship and the price trend of the world energy, furthermore, it is likely to become the catalyst that facilitates the major transition of the world energy market order and the international geopolitical pattern. Over the next decades, the North America will rise to be the world energy center like the Middle East. As the world’s largest economy with the richest energy resources, the United States is also expected to become the major beneficiary of the new energy order and the biggest winner in the energy game.

It is well known that the industry of the United States maintained long-term dominance in the global economic competition thanks to the sufficient supply of domestic energy. But over the past 50 years, the US dependence on the international energy, in particular, the oil supply from the Middle East has been on a steady rise,^[1] sparking universal concern of politicians and scholars. In 2011, a report released by the US Energy Security Leadership Council noted that over-reliance on imported oil will constitute a continuing risk for the US economy and national security. In response, precautions shall be taken to prevent hostile countries and extremists from attacking the United States by using oil as their strategic weapons. Some realists argued that over-reliance on external resources would be a direct threat to the maintenance and continuity of the lifecycle of the US hegemony. To completely reverse the passive situation of “energy dependence”, the United States unfolded a reform of the largest scale since the World War II in the energy sector in 2007. The breakthroughs in shale gas development technology contributed to the sharp rise of domestic oil and gas production, making the United States become the net exporter of refined oil products for the first time.^[2] According to the prediction by the International Energy

Agency, the United States will replace Russia to become the biggest gas producer in 2015, overtake Saudi Arabia in 2017 which is currently the largest oil producer and reach 97% energy self-sufficiency rate by 2035.^[3]The American dream to achieve “energy independence” is close at hand.

As the economic globalization is intensifying, the energy has become the “invisible hand” lying behind the rise and fall of great powers. The energy reform indicated by the development and utilization of unconventional oil and gas not only brings hefty economic benefits to the US, the only superpower in the world, making its energy policy more flexible, but lays a consolidated material base for its quest for a sustainable path for its energy security; meanwhile, with the catalysis of shale gas economy, the United States will be able to remarkably improve its international strategy deployment capacity, raise its flexibility and voice in international affairs, and have more initiatives in energy diplomacy by virtue of its advantages of energy dominance; the most important part is that the positive externalities generated in the implementation of “Energy Independent” strategy will furnish new power source for US to maintain its global hegemony and create conditions where it could prolong the lifecycle of its hegemony through financialization of petroleum. It is undeniable that with the transition from energy consumer to energy exporter, the behavioral pattern of US diplomacy will gradually shift from acquiring energy resources through political and economic means to achieving political and economic goals with energy as a bargaining chip. It can be expected that in the future the United States will continue to innovate their leadership, and maintain its own global interests with a more flexible and pragmatic approach. This is bound to impose an extremely complex and far-reaching impact on the geopolitical interaction and the evolution of the international political system.

III. CHINA’S ENERGY BOTTLENECK LURES THE UNITED STATES “BACK TO ASIA”

To ensure the security of energy supply has long been the crucial objective of the national security strategy developed by successive US governments. It is also the long-term strategic interests of the United States.^[4] As a result, how to obtain “affordable”, “reliable”, and “sustainable” energy supply from the world by using its diplomatic resources has become a priority of Washington’s foreign policy makers.^[5] The Middle East had historically played a crucial role in the US energy security strategy, however, as the United States is close to achieve energy self-sufficiency, its role in the geopolitical pattern of the world energy has seen a subtle change. There is no doubt that this will create important conditions for the adjustment to and reconstruction of US global strategy.

In 2009, the White House ushered in the first black President Barack Obama in the history of the United States. The Obama administration taking “change” as its own duty was presented with a dire international political reality: the collective rise of Asian emerging markets represented by China is breaking down the international hierarchical system with the west at the core for centuries. In accordance with the

views of realism, hegemonic powers in the unipolar system are more sensitive to the change of power distribution in the international system than others.^[6] The rapid improvement of China’s economic and military strengths as well as the sharp contrast with America’s waning strengths triggered US concerns over its “hegemonic anxiety”.^[7] It is true that the rise of China is an irreversible trend, but the rise of the great powers will definitely need to be driven by “energy”. For China where the process of industrialization and urbanization is currently underway, such “energy” mainly comes from the oil, natural gas, coal and other fossil fuels. The sharp increase in China’s energy demand in the future will significantly affect its existing energy system and energy policies. Just as what Kenneth Lieberthal and Mikhal Herberg had pointed out: “Energy security is no longer the domestic economic policy issue with light political significance, but evolves to the one with heavy political significance and relates to China’s national security”.^[8] Thus, in the view of Washington’s policy makers, energy as the soft rib of China’s rise is the most desirable target for US to control and suppress China. Compared to the bald-faced military containment, choking China’s energy supply is more covert and tactful, which will not cause head-on confrontation between the Washington and Beijing, but achieve sound containment. Therefore, the United States is seeking close energy cooperation with Japan, South Korea, Philippine, and other traditional allies, so as to procrastinate China’s development strategy for the South China Sea.

In response to domestic energy tensions and the US strategic containment, the Chinese government lifts the energy security issues to a strategic level that concerns the fate of its destiny. In recent years, China has been strengthening its naval capabilities and expanding its naval ranges so as to safeguard the security of energy transportation in Indian Ocean and protect its economic interests in South China Sea. But from the US perspective, China’s move not only jeopardizes Asia’s energy security environment, but poses serious challenges to Asia’s existing balanced order. The United States determines to forge Japan and South Korea into the strategic bridgeheads restricting and diluting China’s regional clout. However, the continuously icy Japan-South Korea relation pivoting at historical and territorial disputes probably will become a big stumbling block for the United States to contend with China. Improving Japan-South Korea relation is thus put high on the agenda of America’s diplomacy.

It isn’t hard to foresee that with the continued involvement of countries in and out this region, frictions and conflicts in Asia-Pacific region particularly the East Asia will be spiraling up. But one thing is definite, there must be an energy factor lying behind the tensions. As a rising power, China falls short in military might matching with that of the United States and has a social system completely different from that of western countries. China’s energy diplomacy is constantly expelled and suppressed by the western powers led by the United States, which is a harsh test for the diplomatic wisdom of China’s new government.

IV. “SELECTIVE ENGAGEMENT”: NEW TREND OF THE MIDDLE EAST STRATEGY

Carter Doctrine has been regarded as the dominant ideology of the US energy strategy in the Middle East in the past 40 years. The United States utilized its overwhelming military superiority to provide security for major energy producing countries, so as to obtain the “trump card” to rig the world’s economic growth. However, the “desire for change” has become the theme of US policy development since Obama took office. The US government not only initiated bold reforms in energy sector, but endeavored to establish cooperation with oil-producing countries in Latin America, North Africa, and Central Asia with the purpose of exploring more oil sources. The thriving domestic energy development sparked a debate over the long-term commitment the US made to maintain the security in the Gulf.^[9] Some noted that against the backdrop of “shale gas revolution”, the oil in the Middle East appeared to be more of a “burden” than a “motivation” for the US operation there. They worried that constantly inputting more money and military resources would be detrimental to America’s national interests. President Obama responded quickly to these questions. In September 2013, Obama expounded the strategic significance of the Middle East to the United States in his speech at the United Nations General Assembly. He stressed that “the world economy depends on the energy supply of the Middle East. The United States will resort to any necessary means including military power to protect our core interests from being impinged just as what we had done in the past.”^[10]

In fact, the US global energy strategy has long been with dual functions of maintaining national security and seeking international hegemony. This is mainly reflected in taking maintaining the hegemonic system of oil and dollar as the core, controlling energy-producing regions and energy corridors, and achieving the perfect combination of international oil strategy with the quest for global hegemony. In light of this perspective, “energy independence” though enables the United States to reduce its dependence on the oil from the Middle East, it does not mean that the United States forgo the strategic control over this region. On the contrary, the United States without oil burden has the capability and space to freely advance or retreat in the Middle East.^[11] The United States will put aside its previous “carrot-and-stick” policy designed to divide and suppress the alignment of oil-producing countries, instead adopt a more pragmatic policy pursuing “smart diplomacy”, and exert its influences by employment economic, cultural, and other soft rules, so as to attain the goal of building the new order in the Middle East under the leadership of the United States. The performance of US intervention in Libya War, its response to Syria crisis, its mediation for Israeli-Palestinian conflict, and its crackdown on ISIS potently interprets its pragmatic diplomacy, highlights its huge leeway in its Middle East policy, and effectively raises the security level of its strategic interests in the Arab region.

It must be seen that considering there are multiple interests in the Middle East region with its operation to

combat terrorism and its commitment to protect Israel in particular, the United States will not weaken its strategic control over this region.^[12] However, the United States divesting itself from the restriction of oil is likely to voluntarily concede in some complicated issues and lessen its strength consumption, so as to influence the overall situation with tiny presence. In a nutshell, the United States has every reason, whether it is moral obligations or interests demands, to sustain its strategic presence in the Middle East. But different from the past cases, the United States will more flexibly handle the Middle East affairs by implementing “selective engagement” when something matters its interests but entails a little input of resources.^[13] This also creates conditions and space for the US quicker eastward shift of its global strategic focus and the building of new pacific order.

V. “SOFT RIB” OF EUROPEAN ENERGY: THE GAME BETWEEN US AND RUSSIA

After the cold war, the United States treated European energy security as its vital interests for fear that the Europe’s over-reliance on Russian oil and gas would compromise the relatively balanced “Grand Trine” among the three.^[14] However, since the Obama administration took office, the United States seemed to intentionally relinquish partial dominance over the European affairs and tend to marginalize the European energy issues in its strategic consideration under the pressure brought by the evolution of geopolitical pattern in Asia-Pacific region, coupled with the concerns that the rapidly deteriorating European debt crisis would spread to its own soil. Obama’s inattentive attitude toward this issue had in fact a deeper strategic scheme, which was to restore its frosty bilateral relationship with Russia since the Iraq War particularly the outbreak of Russia-Georgia conflict. Even though President George W. Bush often reprimanded Russia for dictating Europe by wielding the weapon of energy, President Obama scarcely deplored Russia for its European energy policy, instead, he usually encouraged both sides to strengthen economic cooperation and promote common interests. In recent years, the EU and Russia have played rounds of games centering on energy issues. To prevent the efforts to restore US-Russia relationship from being wasted, the US government strove to maintain neutrality in the Europe-Russia energy disputes, thereby improving its flexibility of policy to Russia. The first term of Obama administration had witnessed that the US-Russia relationship did basically progress in line with the Washington’s envisage. On the one hand, the United States was aware that, both sides had common interests in some international affairs, and could establish a valuable cooperative relationship; on the other hand, the political capital fished for by the United States from the Europe-Russia fight over energy added the Washington’s bargaining chip for the negotiation with Russia on missile deployment in Eastern Europe, human rights conditions in Russia, Edward Snowden event, and other sensitive issues.^[15] In a sense, European energy issue was unfortunately scarified in the political game between Washington and Moscow.

After the Ukrainian crisis broke out in March 2014, the issue of European energy security drew much concern from the Washington's leaders. Since the crisis would lead to the reduction or suspension of gas supply to the European Union, the US government has explicitly expressed that it is obliged to help Europe diversify its energy import channels. When necessary, it would directly supply gas to EU. However, as the technological constraints in place, the US gas export to Europe in short term is still a mirage. Anyone with a discerning eye can easily see that given the current Ukraine crisis, the US government's commitment to export gas to Europe is no more than a political propaganda which is much more symbolic than practical. When asked if there were concrete measures to support EU's energy diversification, Obama bluntly observed that: "For energy issues, I want to tell my friends in European Commission that the European Union shall manage to increase energy supply by itself while hinging on US energy export." In other words, the United States is urging Europe to address its energy issues by itself. Obama's ambiguous expression presents a clear image: the United States feeds the EU with illusion in terms of energy issue while pushing it to the frontier in terms of sanctions against Russia. This happens to corroborate a western idiom: "A country does not have permanent friends, only permanent interests." For US' part, the "cold war" between Russia and Europe is, to some degree, in conformity with its strategic interests and enables it to keep controlling European affairs. But we also should see that Russia is trying to rope in European countries with the weapon of energy. The success of "shale gas revolution" undeniably highlights the power of US energy card, but the geographical and economic factors offer Russia sufficient confidence and capability to rival the United States in the continent of Europe. How the Ukraine situation is evolving is difficult to predict, but it is sure that a deeper level energy and political game is hidden beneath the competition among the United States, Russia, and the European Union. Let's wait and see whether the Ukraine crisis contributes to the shift of the previous focus on macroeconomic influence to the geopolitical and strategic interests in US domestic debate over gas export.

VI. "RETREAT FOR ADVANCING": RECONSIDERATION OF US DIPLOMATIC STRATEGY ADJUSTMENT

People concerning about US diplomatic strategy evolution should know that the gap between strategic capability and hegemony maintenance requirement is the compulsory obstacle for US global strategy.^[16] After a dozen years of anti-terrorism war, the United States has attained some regional strategic objectives and controlled vital geographic hub and resource flow, which largely consumes its authority and saps its global hegemony. Nowadays, the second term of Obama administration is more than halfway, but the internal and external difficulties facing the United States are still not fundamentally allayed. With the collective rise of emerging powers and increasing global crises, the United States appears to fall short of strength in handling such challenges. Washington's elites are fully aware that the over-employment of hard power is likely to backfire, resulting in serious disequilibrium of outcome and cost.

Given the relatively flagging strength of the United States, coupled with the changing international factors that influence its future position, the US government has to adjust its global strategy so as to find the optimum equilibrium between seeking strategic contraction and maintaining hegemony.^[17]

Based on the analysis on current international situation, the US strategic adjustments are mainly reflected in the following two aspects: one is to take measures to reinforce its military deployment in Asia-Pacific region, the prospect of which will be determined by the evolution of regional structure and US domestic environment; the other is to promote multilateralism and international cooperation, mobilize its allies to share its responsibilities and continue to pay for its bill of "leading the world". It should be seen that these strategic adjustments are a combination of passive response and positive offensive. By conducting redeployment and outsourcing responsibilities, the United States translates its own strategic objectives into the joint strategic objectives of other countries particularly the allied countries. This not only enables it to put limited resources and energy in handling domestic governance, but deducts its obligations to provide public goods for the whole world, and saves its cost of "leading the world". In this sense, the United States tired of war is entering an era when "selective engagement" is needed.^[18] But this shift of diplomatic guiding philosophy and the adjustment to diplomatic behavioral model do not mean that the United States will revert to the path of isolationism, nor herald that it will renounce leading the world. On the contrary, it always needs to know the latest situation, and save its declining hegemony by employing a more clever and exquisite tactic as its interests have been spreading to every corner of the world. Therefore, on the one hand, we see the United States is conducting conventionally strategic contraction; on the other hand, we should notice that it is strategically expanding to a certain degree in some new sectors. For instance, it is making all-out efforts in promoting TPP and TTIP which are self-centered strategic schemes with strong aggressiveness.

With the above analysis, it is not difficult to see that the US strategic adjustments are a dynamic and consistent process and evincing periodic trends. The current inward transition is only a provisional "strategic nonfeasance". The United States with solid economic base will eventually fight back when it shakes off ailments and finishes global deployment. It is expected that during Obama's tenure, the United States will keep relatively lenient and restrained strategic posture. The coming adjustments to US strategy rest on the economic recovery from financial crisis and the achievements in anti-terrorism war and handling the crises in key regions.^[19] Thus in the long run, the strategic contraction is simply a phased adjustment to US grand strategy. The US diplomatic principle of "interest comes first" and the traditional priorities will not be reshaped even if the international and domestic situation is constantly changing.^[20] In other words, the core and ultimate objective of US grand strategy is still to "maintain its current position as long as possible"^[21], only with changes in the means to an end. Overall, the Obama administration ostensibly releases the signal of strategic contraction, but actually cooperates

with new strategic transition and searches for new approaches to maintain its leading position.

VII. CONCLUSION

It is undeniable that the United States has the most powerful strategic might and global intervention capability and each of its strategic adjustment will heavily affects the world and regional security. As the economic recovery is gaining momentum and the “Energy Independence” strategy is actively moving on, the thrust and focus of US diplomatic policy in the future will be different from the past. As the most competent country in developing and forging “soft power”, the United States will significantly improve its ability in planning and managing foreign strategies, exert outstanding pressures through diplomatic polices, and particularly toughen its stance on the negotiation of global issues such as reestablishing trade rules. In view of this, the revitalized United States is very likely resilient in intervening international affairs, and substituting strategic contraction for strategic expansion in the coming years, which makes the complex international situation more uncertain. It is easy to imagine the scene where a country with dual identity (“World Police” and “Energy Hegemony”) does whatever it wants in the international arena. Probably until then could we be deeply inspired by a “global energy revolution” in real sense.

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