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The other Gulf oil crisis — in Southwest Asia

BY ADAM J. LISKA McClatchy-Tribune News Service

The oil spill in the Gulf of Mexico is a rude reminder of the risks inherent in an economy dependent upon petroleum. But there's a quieter crisis in the other gulf the Persian Gulf — that should call Americans' attention to the even more severe consequences of relying upon imported oil.

The costs of using the military to protect the transport of oil from the most turbulent part of the world should convince our country's policymakers to increase investments in researching and developing affordable, American-made cleanburning alternative fuels. But, first, we have to understand the real causes, costs and consequences of importing 12.9 million barrels of oil per day, which make up nearly 60 percent of U.S. oil consumption at a total direct cost of roughly \$300 billion per year.

America's addiction to oil makes our dependence on imports inevitable. The United States consumes about a quarter of the annual global production of oil, but our country produces

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only about 10 percent of the global supply. Roughly half of our imports and a third of our oil consumption are imported from the member states of the OPEC car-

tel, mostly from the Middle East. The majority of this imported oil arrives to the United States via four supertankers per day. From the dangerous maritime straits of the Middle East, the U.S. military protects the transport of oil at an estimated cost of \$100 billion a year, above and beyond the prices we pay at the pump.

Meanwhile, the United States is fighting two wars that can be traced, at least in part, to the need to secure stable supplies of oil. As former Fed Chairman Alan Greenspan wrote in his 2007 memoir, "I am saddened that it is politically inconvenient to acknowledge what everyone knows: the Iraq war is largely about oil. Thus, projections of world oil supply and demand that do not note the highly precarious environment of the Middle East are avoiding the 800-pound gorilla that could bring world economic growth to a halt."

In addition to maritime security, the Iraq war has cost nearly \$100 billion a year since 2003, with the Nobel Prize-winning economist Joseph Stiglitz estimating the full costs of the conflict approaching \$5 trillion. Iraq has about 9 percent of global oil reserves, less than only Saudi Arabia and Iran.

As for the war in Afghanistan, which has cost more than \$300 billion since 2001, the approaching maximum global oil production ("peak oil") may help explain our continued involvement there as well. Of the four countries with the largest projected increase in oil production by 2030, one is Iraq and another is Kazakhstan. Pipelines have been proposed to carry oil and gas from Kazakhstan through Afghanistan to the Indian Ocean, thus by-passing the precarious Persian Gulf.

Protecting the transport of imported oil – and waging wars at least in part to ensure access to oil supplies — comes at a terrible cost in human lives and military,spending. There also is an environmental cost that must be considered. Military operations consume huge quantities of fossil fuels that release greenhouse gases into the atmosphere. Therefore, the carbon footprint of imported oil includes the environmental impact of our military operations to secure petroleum, from patrolling the Persian Gulf to waging war in Iraq.

In a recent article in the journal Environment, professor Richard Perrin of the University of Nebraska and I estimate that the greenhouse gas emissions result ing from protecting supertankers in the Persian Gulf total 34.4 million metric tons of carbon dioxide a year, while the war in Iraq emits another 43.3 MMT of CO2 per year. These results are critical for deciding whether to encourage the substitution of biofuels for gasoline, as federal law requires that "indirect emissions" of greenhouse gases from fuel production must be considered. The U.S. Environmental Protection Agency already has estimated emissions from uncertain "indirect land use change," which holds that when U.S. farmers grow grains for ethanol, forests are converted to farmland on other continents. To say the least, this chain of cause-and-effect is less certain than the connection between importing oil from the Middle East and protecting supertankers in the Persian Gulf.

The nation is spending hundreds of billions of dollars securing foreign oil. But we are investing comparatively little in federal research programs conducted by the U.S. departments of Agriculture and Energy, which are developing the biofuels and making the efficiency improvements that could make obsolete the multitude of costs from foreign oil. Let's change our priorities so that we stop paying the price in human lives, our economic future and accelerated climate change.

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