



TAR SANDS SHOWDOWN – MILITARY LINKS

- The US has been rebuilding its military-based economy to fight the war on terror and to secure control over global oil supply chains. Following the end of the Cold War, symbolized by the tearing down of the Berlin Wall in 1989, the US could no longer justify its military role as “the policeman for the free world” against the Soviet Union. As such, it needed a new excuse to invade abroad. The war on terror provided that excuse.
- Everyday, the Pentagon reportedly consumes over 365,000 barrels of oil. This is 85 percent of the US government’s total oil consumption. Before the invasion of Iraq, the Pentagon’s official figure for annual oil consumption was 110 million barrels. Since then, the Pentagon admits to burning 130 million barrels a year.
- Canada is an energy satellite of the US. Historically, Canada has served as a resource satellite for both the British and French empires in the eighteenth and nineteenth centuries, supplying furs, fish, coal, timber and minerals. During the latter half of the twentieth century, Canada became a major resource satellite of the US, supplying timber, hydroelectric power, oil, natural gas and a range of minerals. Today, Canada is the largest foreign supplier of electricity, oil and natural gas to the US. The Alberta tar sands consolidate Canada’s role as the US’s prime energy source.
- Today, the social upheaval brewing over energy insecurity in Canada is accompanied by a growing concern over the use that tar sands crude is put to in the United States. The fact that the Pentagon is the single biggest consumer of oil in the US raises the concern that Canada has become America’s military fuel pump. The 2003 invasion of Iraq by the US-led coalition forces sparked an ongoing public debate about the connections between oil and war in today’s global economy. After all, Iraq is a strategic source of high-quality oil that is relatively inexpensive to produce.
- The US Energy Policy Act of 2005 contains at least two provisions that reaffirm Canada’s status as an energy satellite of the US. In a section of “Use of Fuel to Meet Department of Defense Needs,” the law designates tar sands production to serve the fuel needs of the US military. At the discretion of the US Secretary of Defense, the law states that as much crude oil as possible from the tar sands will be processed in refineries south of the border for purposes of fueling the American military. Second, in a section labelled “Partnerships,” the Energy Policy Act calls for a special relationship to be developed with the Province of Alberta, Canada, “for purposes of sharing information relating to the development and production of oil from tar sands.”
- The third main recipients of crude oil from the tar sands are the western states, notably Washington, at 6.2 percent. It is here where crude oil is refined for US military operations on the West coast. The Cherry Point Refinery, which is run by BP, is the largest west-coast supplier of jet and diesel fuel to the US military. Recently, BP announced it is making changes at its Cherry Point plant so it will be able to increase the volume of tar sands crude oil it refines.
- Before the invasion of Iraq in April 2003, the worldwide price of oil was high enough to make the production of tar sands crude economically feasible, but not terribly profitable. It costs less than 25 dollars a barrel to produce crude oil from existing tar sands plants. In 1998–99, the world price per barrel of oil hovered around 12 dollars. By March of 2003, the price was 35 dollars a barrel. Following the invasion of Iraq, the Middle East was further destabilized and oil supplies tightened up around the world, thereby creating conditions for oil prices to skyrocket, and the tar sands o become profitable. As Naomi Klein put it, “As Baghdad burns, destabilizing the entire region and sending oil prices soaring, Calgary booms.”

For more information, or to get involved visit <http://www.tarsandswatch.org>

<http://www.oilsandstruth.org>, <http://www.canadians.org/energy>, <http://www.ualberta.ca/~parkland/index.html>

Excerpt from author Tony Clarke's Book "Tar Sands Showdown"



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The 2003 invasion of Iraq by the US-led coalition forces sparked an ongoing public debate about the connections between oil and war in today's global economy. After all, Iraq is a strategic source of high-quality oil that is relatively inexpensive to produce. When asked to participate in the invasion and occupa-

tion of Iraq, the Chrétien government said "no" to the Bush administration. Two years earlier, Canada had already sent troops into battle in Afghanistan, and in late February 2008, the Harper government, backed by the Liberal opposition, approved the extension of the mission until the end of 2011. Nevertheless, Canadians tend to be somewhat smug because we didn't go to war for oil. We like to chide the Americans, especially the US media, for denying the connection between oil interests and the war in Iraq. Yet, as the number one exporter of oil to the US, Canadians might want to ask whether we are complicit.

There are important connections between the invasion of Iraq and the tar sands boom in Alberta that are worth drawing out. Before the invasion of Iraq in April 2003, the worldwide price of oil was high enough to make the production of tar sands crude economically feasible, but not terribly profitable. It currently costs less than 25 dollars a barrel to produce crude oil from existing tar sands plants. In 1998-99, the world price per barrel of oil hovered around 12 dollars. By March of 2003, the price of oil had jumped to 35 dollars a barrel. As well, 2003 was the year that the United States Energy Information Administration officially recognized that the Alberta tar sands contained one of the largest hydrocarbon deposits of "economically recoverable" oil on the planet. Following the invasion of Iraq, the Middle East was further destabilized and oil supplies tightened up around the world, thereby creating conditions for oil prices to skyrocket.

As author and journalist Naomi Klein wrote in October 2007: "For four years now, Alberta and Iraq have been connected to each other through a kind of invisible seesaw: As Baghdad burns, destabilizing the entire region and sending oil prices soaring, Calgary booms." The initial US plan, originally conceived before the events of 9/11 by the Project for a New American Century, called for the invasion of Iraq and the toppling of the Saddam Hussein regime in order to secure control over Iraq's less expensive, high grade oil for the major US petroleum corporations. Not everything, however, went according to plan. The prolonged resistance of Iraqi insurgents, who often targeted their country's oil fields and infrastructure, coupled with ongoing delays in the passage of Iraq's new oil law, made the US oil giants reluctant to carry out their role in the plan. Without Iraqi oil coming online, access to cheap oil was disrupted. Worldwide demand continued to increase and available oil supplies shrank, pushing prices into an upward spiral well past the 100 dollar per barrel mark...