

# Predatory Wars for Trillion US\$ Oil & Gas Rents

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## Abstract

To the mainly political-military lens on the ongoing Ukraine war, an energy-economic lens is added. The Ukraine war is ranked in the geopolitical conflicts and wars instigated by the USA and his allies for barring access to the world oil & gas markets for 'hostile' nations. The series started by mainly politically driven wars in 1973 (Israel-Arab countries) and in 1980 (Iran-Iraq). The character of the wars shifted with the invasions of Iraq (2003) and Libya (2010). The wars coincide with excessively high oil prices, generating billion to trillion US\$ oil rents, quantified here for the years 1970-2019 with data from the World Bank, IMF and BP. The huge rent skimming is one of the factors to consider for understanding positions, events, actions in times of turmoil, and the deceiving discourses from both sides in a conflict. Applying a wide-scope analytical frame helps in combining warfare, rent skimming, climate change mitigation, energy system transformation, and genuine sustainable development as substitute for neoliberalism and democracy incorporated.

**Keywords:** Ukraine war, oil rent skimming, energy system transformation, deceiving discourse, hypocrisy

## Highlights

- Combining socio-political and energy-economic factors for understanding global challenges and solutions
- Numerical values of global oil rents, skimmed in the years 1970-2019
- Oil rent skimming driven by due shrinking of oil & gas use for avoiding climate collapse
- War discourses are unidimensional, two-face deceiving, and conceal hypocrisy

## 1 Introduction

This manuscript is triggered by the escalating war in Ukraine. The aim is not to deliver a comprehensive analysis of the Ukraine conflict. Such analysis requires interdisciplinary teams with diverse experts and representative participation of NGOs pursuing peace, security, just development, and more. Here, only a few topics are discussed. Prior to the analysis, the perspectives in approaching the subject are clarified (section 2). Factors framing challenges of global scale are presented in section 3 (figure 1). This generic framework is included to avoid bipolar unidimensional views on the world, like black-white, bad-good. Such views are the canvas of flawed, deceiving discourses for mobilizing people in opposite camps. Section 4 informs about the trillion US\$ oil & gas rents with numbers not published before (figure 2). It highlights the influential role of big money in geopolitics, a necessary complement to the almost exclusive focus on political-military power and events in present discourses about the Russian invasion of Ukraine. Big money is concentrated in excessively rich families, and in giant transnational corporations (TNC), with a long-lasting high ranking of oil & gas business. The nature of present oil geopolitics is explained in section 5, revealing the abundance in global oil resources is a major driving factor of war for opening opportunities to cash huge rents in the oil business. The reversal from the 'oil depletion' perspective to the 'oil abundance' perspective is due to the growing awareness that high shares of fossil fuel (coal, oil, gas) resources must be kept underground to escape climate collapse (Welsby et al. 2021).

Section 6 tends to provide a balanced overview of losers and winners by the Russian invasion of Ukraine. Section 7 on totalitarianism and double standards is mainly based on

the book *Democracy Incorporated. Managed Democracy and the Specter of Inverted Totalitarianism* (Wolin 2010). The double standards in the white-black discourses are criticized. The manuscript ends with conclusions and some special insights (section 8).

## **2 Perspectives on Predatory Wars for Trillion US\$ oil & gas rents**

At the outset, transparency about the girders of the employed analytical frame is helpful. *Purpose.* Unveil driving powers related to the oil & gas business in geopolitical wargaming. Situate the Ukraine conflict in the chain of wars, starting in October 1973, with the Fourth Arab-Israeli War, also called Yom Kippur / Ramadan War.

*Temporal scope.* Starts in 1973. On 9/11 in Santiago de Chili, the military murdered Chili's democratically elected president Salvador Allende and thousands of his followers. The colonels' putsch was masterminded by the CIA (Central Intelligence Agency) of the USA. 9/11/1973 is the bloody start of neoliberalism; Chili was razed for experimental field trials. Overall, 1973 was a pivotal year. The functioning of the US dollar as global currency was redefined, making it easier to charge the costs of military adventures on the rest of the world. The oil price crisis turmoiled the energy world and many economies; political strongholds in the Middle East shifted, with blank cheque USA support for Israel as militarized guardian.

*Spatial scope.* Geopolitics refers to global issues, requesting universal approaches. Because treating many issues at once is impossible, the focus is on nations owning significant oil & gas reserves. Over time, some of these nations were targets in predatory wars, instigated by power clusters with USA-UK-EU as the strongest and most active one. Regions and countries such as South-East Asia, India, South-Africa, Brazil, ... play secondary roles; some of them are significant rent payers (for example Japan, South Korea, China).

*Thematic scope.* In focusing on big money interests, political economy is the approach for studying rational money-maximizing decisions in a context of political and economic institutions (Banks and Hanushek 1997). Political economy considers also the 90% facts, events and forces under the waterline of an iceberg-like, socio-economic reality; observing, assessing and explaining the poorly visible is a contentious activity. The addressed theme is how oil & gas business has evolved under neoliberal regime, planted in 1973, prevailing since the 1980s under Reagan and Thatcher administrations, predominant since the New York 9/11 in 2001 (Wolin 2010).

*Author's Position.* Independent academic, yet non-neutral due to concerns about the abuse of the planet by wealthy people and nations, about the destruction of diversity (bio & human), about the 'law of the strongest' governing the world, masterminding dominant discourses, concentrating excessive power and wealth, ... The normative suggestions result from social and environmental engagement: they are explicit without apologies.

Views and findings expressed in this article differ from dominant discourses about the protracting conflicts between the NATO nations and Russia, which culminated in large scale military operations in February 2022. The political-military perspective is not explored, however completed with energy-economic-financial aspects.

## **3 Factors Framing Challenges of Global Scale**

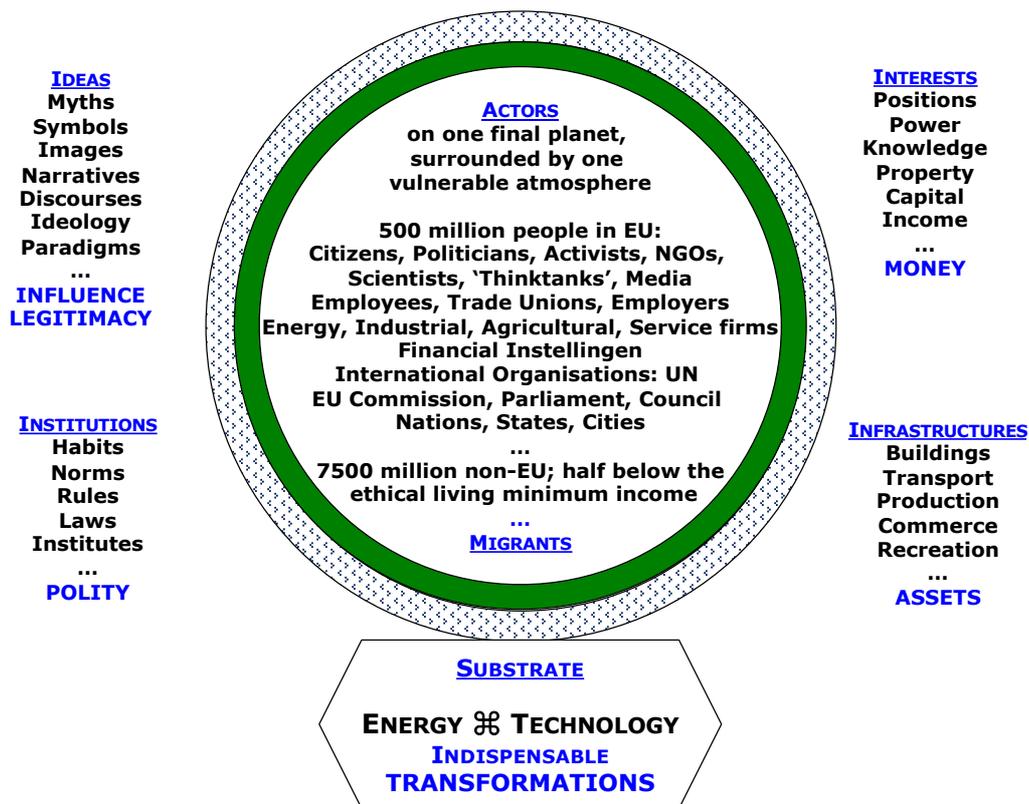
This ancillary section comments figure 1 which shows explicative Factors for analyzing global problems. A broad scope helps to frame challenges of global scale (such as climate change policy; paradigm change from neoliberalism to genuine sustainable development; energy system transformations; geopolitical conflicts). To Actors, Ideas, Interests, Institutions as usual framing FACTORS of socio-political analysis (Green 2016), I add Infrastructures and the Substrate of Energy & Technology, both indispensable for societal functioning. Joining social sciences, political economy, with energy, technology, and infrastructures provides a multidisciplinary frame for studying the interlaced transformations in energy & technology substrates and in societal paradigms and orderings.

The ongoing transformations in the energy & technology substrate are tumultuous, yet essential for escaping climate collapse, the spearhead issue with significant, irreversible impacts on other global challenges.

In 2020, the broad frame of figure 1 helped in studying EU's climate change policy, built upon emissions trading (Verbruggen 2021). The EU Emissions Trading System (ETS) is an interesting, real exemplary case of superior discursive power masterminded by transnational oil & gas, electricity generation and industrial corporations. The discursive façade of Cap-and-Trade is the full opposite of the factual actions occurring behind the façade (Verbruggen 2022). This successful disguise is instructive about how fake, deceiving discourse can be, yet seizing and keeping influence, legitimacy, support, and even laudation.

In the centre of figure 1, diverse ranges of societal actors are mentioned. They live on a limited Earth encircled by a vulnerable Atmosphere; their activities are driven, uphold, but also retarded, immobilized by many forces, summarized in five interacting clusters. In pursuing their goals, actors manage, face and endure Ideas, Interests, and Institutions, commonly considered in the social sciences (Green 2016). To these Factors, figure 1 adds Infrastructures and the Substrate of energy interconnected to technology, with indispensable transformations. The provision of energy useful to human ends is needed in all human activities. Technology is as crucial, given that every supply of energy is a combination of energy sources and appropriate technologies. The effectiveness and affordability of technologies are decisive in which energy sources are of interest to use. Around 2018 PV-cells and wind turbines have matured so far that light and wind currents in the ambient environment deliver the cheapest electric kWh in history (IRENA 2021). Hence, light, wind, water, geothermal currents are becoming the predominant sources of electricity, the main, almost exclusive, energy supplier of the low-carbon economy.

Figure 1: **FACTORS** framing Challenges of Global Scale from an EU **ACTORS** perspective



IDEAS (myths, symbols, images, narratives, discourses, ideology, paradigms, ...) influence the minds of people and purport legitimacy to the actions and positions of societal actors (Lakoff 2010). Biased language imprints faulty beliefs in the minds of people. Appropriate language should substitute for flawed or imprecise expressions. The neoliberal paradigm has been instrumental in pushing politics, public policies into roles subservient to corporate

interests (Wolin 2010). Talk and symbols of 'free markets' are employed for concealing corporate practices. Friedman (1962) argued that economic freedom is a precondition for political freedom. Precondition for the validity of such argument is that the economics arena itself and its main institute – the market – obey several critical criteria, such as unhindered access to and exit from markets, high transparency, proper public policies for goods & services not amenable to market processes (Arrow 1974), and more. The oil & gas business fails on essential criteria. With symbols, images, deceiving narratives, lobbyism, and the like the business exerts significant influence and preserves legitimacy, although climate change caused by their business is endangering the lives of many people and of human civilization overall.

INTERESTS (positions, power, knowledge, property, capital, income, ...) are quantified and monetized in money terms (US\$) in prevailing industrialized environments. Societal actors pursue their interests. Some actors (for example climate activists) may prefer non-monetary interests above money, but this is not the case for most actors listed in the centre of figure 1. The major interest of corporations is to obtain '*above-average profits*', to accumulate financial and other assets, and to succeed in planned projects (Volberda et al. 2011). The profit goal stimulates the pursuit of excess profits, also called royalties, rents (Schoemaker 1990; World Bank 2020). Accumulation stimulates growth. Planned project success may imply political action via lobbyism, deception, pressure. The control over wealth, big amounts of money, is the source of societal power. Analysis of power relationships without considering related trillion US\$ flows, is missing an important factor.

INSTITUTIONS (habits, norms, rules, laws, institutes, ...). Institutions structure the polity of society (Vatn 2005; Bromley 2006). In political science many institutions and institutes are identified in the making and running of modern societies, such as governmental, legal, administrative, communicative, social, economic, scientific, and more.

INFRASTRUCTURES (buildings, transport facilities and vehicles, production, commerce, recreation, ...) are visible artifacts. They materialize how societies function and thrive. Drastic and urgent change conflicts with lock-in and inertia inherent to large and long-living infrastructures. The energy systems are deeply embedded in all major infrastructures. Dealing with climate change means reducing the greenhouse gas emissions of the energy systems to zero, urgently because broken unique ecosystems mean irreversible loss.

SUBSTRATE of energy & technology, with transformations being indispensable, vital for human civilization, and precursors of societal inversions. Industrialization and fossil fuel use were narrowly related during the past 250 years. In post-World War2 period of fast-growing economies, oil was, and still is, a significant driving factor. It has many attractive attributes (such as density; easy to win, process, store, transport, use; convertible in a range of products, etc.). It is the cause of many societal and environmental harms, and emitter of greenhouse gases. Because of the latter, urgent phase-out of oil (as of other fossil fuels) is argued, yet realization is problematic (Carlson and Fri 2013). The abundance of oil & gas resources on the one hand, and the must to phase out its use, winning and trading, on the other hand, affects oil geopolitics increasingly since the 1990s.

#### **4 Trillion US\$ oil & gas rents and wars with selected oil-exporting nations**

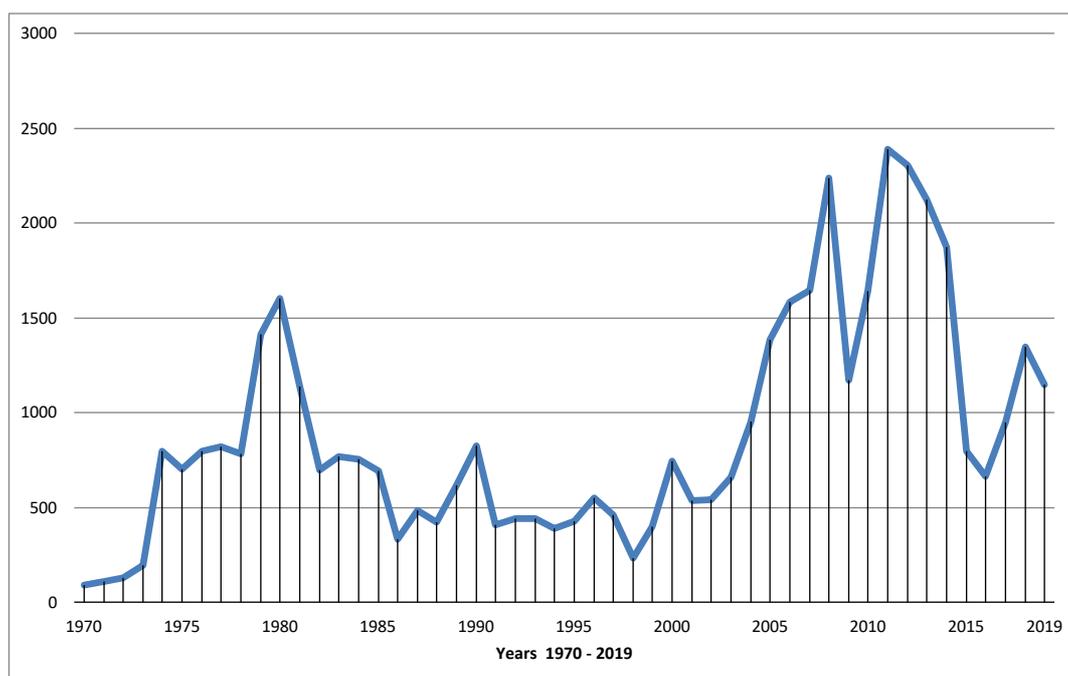
With Trillion US\$ in the title of this section, obviously it deals with big money. The maxim 'Money makes the world go round!' conveys money is a significant force in making particular things happen. Money is the blood current of most machineries in industrial societies. Next to its instrumental role in smooth exchanges of goods and services, money is the vehicle of capital accumulation and the placeholder of accumulated wealth. Big money means significant power, influence, supremacy, ... indicators of success in neoliberal societies.

Giant global oil companies have a strong reputation as resilient money-makers, well rewarding their stock-holders. The oil business earns above average profits, guaranteeing smooth access to capital markets for realizing (also giant) projects.

To a high degree, oil business is a rent capturing business. The World Bank publishes statistics about the share of oil rents in the World Gross Product over the period [1970-2019]. The World Bank defines oil rents as the difference 'excessive sales revenues minus actual expenses' in providing crude oil. Expenses cover the remuneration of the production factors employed for winning and processing crude oil; one of the production factors being invested capital by stakeholders. Manufacturing crude oil has been done long ago by Sun and Earth cooperation; now the resources are free for the appropriator. Oil rents may be labeled as excess profits (= profits feasible because workable competitive markets are not in place); oil rents are akin monopoly, oligopoly, cartel excess profits.

Figure 2 shows global oil rents in US\$ monetary value of the year 2020 (US\$-2020). Expressing the yearly rent volumes in the price level of a single year (here 2020), allows comparison of the numbers over time. The numbers in figure 2 result from combining World Bank, International Monetary Forum, and British Petroleum Statistical data. As far as I know, these numbers have not been published elsewhere.

**Figure 2: Global oil rents in the years 1970-2019, in billion US\$-anno 2020.**  
 [Author's calculation using data from World Bank, IMF, BP Statistical Reviews]



Observable are the volatility of the year rents over time, and coincidence of rent hikes in particular years with wars on some important oil-exporting nation(s).

Beginning 1970s, oil rents were around 100 billion US\$-2020. The period of 'limited' rents ended with the oil price crisis in 1973 {Israeli-Arab war}. The rents reached a top of ca. 1,600 billion US\$-2020 in 1980 {invasion of Iran by Iraq, Saddam Hussein, with approval and support of the USA, UK, France, many Arab countries, and at that time the Soviet Union}. After gliding down in the first half of the 1980s, the rents hovered around 500 billion US\$-2020 until 2003. In 1990, a limited flare-up occurred {Iraq-Kuwait/USA war}. Since 2003 {invasion of Iraq by USA and NATO allies}, the oil rents went up, beyond 1 trillion US\$-2020 during the period [2005-2014]; the paramount of ca. 2.4 trillion US\$-2020 was reached in 2011 {invasion of Libya by NATO}. In 2015 and 2016 the rents

halved, but went up again to stall at 1.15 trillion US\$-2020 in 2019. Data after 2019 are not yet available.

Summed oil rents over the period [1970-2019] equal 44.65 trillion US\$-2020. The Gross World product in 2020 equals 84.71 trillion. Oil rents really are big money. Most oil majors are also active in the natural gas business. Gas prices are following crude oil prices; hence, gas rents presumably shadow oil rents. Growing sales volumes of natural gas are expected to push the rents upwards. By lack of comprehensive data, gas rents now cannot be assessed.

Characterization of the coincidence <wars & rents> evolves over the 1970-2019 period. The wars up to the 1990s seem mainly politically driven (with control over oil resources as a major driving factor on the back-seat). Since the 1990s, climate change mitigation and the projection of reductions in fossil fuel use, changed the character of the wars. The abundance of the resources triggered fiercer competition for shrinking markets, and application of sanctions, embargos, wars, civil wars, to preclude hostile oil exporters to sell their oil (Verbruggen and Van de Graaf 2013).

Now it's May 2022. Oil prices again exceed US\$ 100/barrel, with accumulating oil rents, presumably beyond 2 trillion US\$-2020 in 2022 {invasion of Ukraine by Russia and presumably protracting war}. Given the history and characteristics of oil geopolitics over the last 20 years, a conflict with Russia has been prepared for years: the Nord Stream 2 case is a visible example of creating and building up animosity in oil & gas geopolitics. For example, 15<sup>th</sup> of June 2017, the US Senate voted [98-2] for legislation to impose new sanctions on Russia, and *'said it was the policy of the United States to continue to oppose Gazprom's Nord Stream 2 pipeline project, saying it would have a detrimental impact on the European Union's energy security, gas market development in Central and Eastern Europe and energy reforms in Ukraine'* (EurActiv.com and BBC, June 16, 2017). Five European energy companies, Uniper, Wintershall, Shell, OMV and Engie, each invested 10% of the Nord Stream 2 venture. Gazprom financed the other 50%. Then German chancellor Angela Merkel stated *'it is an economic project'*. Warsaw, 6 July 2018, US President Trump promotes US liquefied natural gas (LNG) exports to leaders from Central and Eastern Europe, a region heavily reliant on Russian supplies. Brussels, 11 July 2018, Trump launched a strong verbal attack on Germany for its support to the Nord Stream 2 gas pipeline. Western firms that invested in the pipeline were at risk of sanctions. Richard Morningstar, a veteran EU diplomat, had warned that Nord Stream 2 would kill the US strategy to export LNG to Europe. The animosity in Ukraine increased by the 2014 Maidan putsch driving the elected president Victor Yanukovych from power, and by disregarding the Minsk agreements. In February 2022, animosity turned into more aggressive operations, with the invasion of Ukraine by the Russian army as climax.

## **5 Since the 1990s, oil geopolitics is directed more on precluding oil exports of selected oil-rich nations, after been labeled as rogue**

Since the 1970s, the erroneous narrative of *'oil depletion'* dominates academia (Dasgupta and Heal 1979), mass media, NGOs, almost all people's beliefs (including myself for a too long time). The yearly published R/P indicator (ratio of global oil Reserves/Production) functions as discourse symbol of *'depletion is at the horizon'*. The oil R/P oscillates between 40 to 50 years sufficiency of oil reserves, since it was first published. But look: after the first 50 years were passed and in the meantime the use of oil had doubled, still the R/P is a number between 40 and 50 years (see yearly BP Statistical Reviews). It means: R/P is not an indicator of scarcity, but a deceiving hint. R/P only confirms the preparedness of oil producers for business-as-usual during the coming 40 to 50 years, i.e., meeting all demand for oil when users can afford to pay for it at the set prices.

The prevailing geopolitics of oil accepts as axiomatic hypothesis that oil-related conflicts emerge from competition in acquiring the dwindling oil deposits on earth. More militarized

conflicts or '*resource wars*' in the future were expected (Homer-Dixon 1991; Peters 2004; Klare 2004, 2008, 2012).

Oil reserves indeed had and have a significant potential to stir or shape geopolitical tensions and conflict. Yet no longer because of their scarcity but because of their abundance. From a holistic sources-sinks perspective (Ayres and Ayres 2002) limited carrying capacity of atmospheric sinks, not absolute scarcity in oil resources, is imposing constraints on oil use. Today, deteriorating climate change requests urgent and drastic reductions in the use of fossil fuels. About 80% of the known resources must stay in the ground for avoiding scaring high probabilities of climate collapse occurring. The fight for obtaining the last trillion US\$ oil rents in a necessarily decaying sector will likely be intense and bloody. The wars listed in section 4 are macabre illustrations.

#### *How to keep oil in the ground?*

Keeping oil & gas in the ground is now the booty of geopolitical conflicts on oil & gas, most severe in Middle Eastern and African countries, also spreading to South America and Russia. For explaining the sanctions, embargos, invasions and instigated civil wars, conflicting alliances are identified. The commanding alliance is the USA-axis with NATO and Arab Gulf States (united in the Gulf Cooperation Council). The rest of the oil & gas exporting nations are a dispersed array, they do not form an axis: some countries allow Western oil companies to own or exploit their resources, others impose joint-ventures with national companies, and some nationalize their oil assets minimizing or excluding foreign capital. The latter nations are typified by the USA-axis as '*hostile*', like Iran, Venezuela, and Iraq, Libya before they were invaded. Conflicts and warfare aim at paralyzing hostile oil exports, not at conquering the resources. Covert warfare and instigated civil wars are likely tactics to exhaust hostile opponents. Antagonist cracks in the oil & gas market multiplied. For example, the *Nord Stream 2* Russia-Germany gas connection project incidents provide an open book about extortion by the USA (Democrats and Republicans united) coercing Germany to buy USA *freedom gas*. Now, the Ukraine war has blocked Nord Stream 2 for a long time, likely forever.

#### *Pushing crude oil selling prices high up for skimming huge oil rents*

The yearly oil rents volatility is concordant with the volatility of crude oil prices, which fluctuate well above price levels corresponding to competitive economy conditions. Crude oil prices are posted daily, and allow follow-up of the oil price turmoil in 'real time'. Obtaining extremely high oil rents requires pushing up oil prices to high levels.

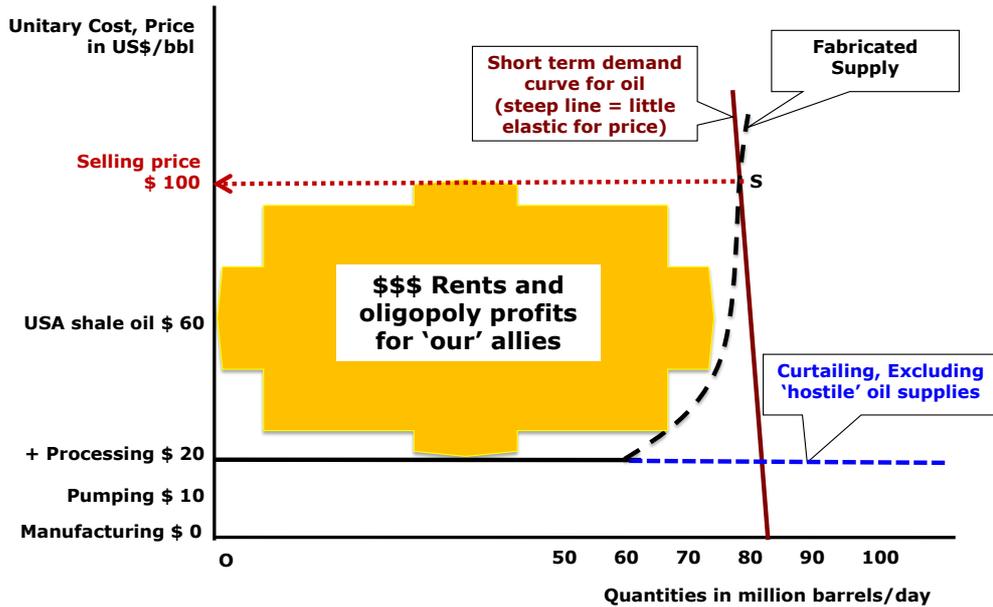
Curtailing oil exports by *hostile* nations is needed to continue and increase oil rents, largely skimmed by part of the USA-axis. Figure 3 shows the economic logic via a *one-day snapshot* of global crude oil business in a market format. Verbruggen and Van de Graaf (2013) include also the long-term demand, more price-elastic than the short-term demand.

The horizontal axis mentions the quantities of crude bought in one day in million barrels/day. The vertical axis shows unitary cost, and price, in US\$/barrel (bbl). Manufacturing crude oil has been done by sun and earth million years ago; hence, the manufacturing cost is zero. In large fields, pumping up oil at US\$ 10/bbl + additional processing makes the expense around US\$ 20/bbl. USA shale oil is more expensive around US\$ 60/bbl.

Without curtailing or precluding access to the world oil market for *hostile* oil supplies, the price of crude oil would Hoover around US\$ 20/bbl, in a competitive setting. However, since the 1970s cartel agreements (OPEC) also add rents.

Excluding *hostile* oil brings two benefits for the USA-axis. First, it is easy to fabricate a panhandle on the horizontal supply curve at the US\$ 20/bbl level, so obtaining the dotted steep-rising supply curve in figure 3. This supply curve cuts the short-run demand curve at a high price level (e.g., selling price of US\$ 100/bbl shown in figure 3). Second, the majority of the huge rents (being the US\$-area indicated by the cross in figure 3), occasioned by the high selling price, land mainly to the USA-axis. The perspective of cashing trillion US\$ rents breaks many human rules. Warfare against another hostile oil-exporter with huge reserves creates the circumstances for price hikes, shrinking supplies and rallying the allies on the USA-axis.

**Figure 3: Rents and oligopoly profits obtained by geopolitical power with impact on global oil prices. A one-day snapshot of global crude oil business.**



## 6 Losers and Winners of invading Ukraine

It is heavy duty to describe the cynical events, strategies, actions, and consequences of something as inhuman as war. One must suppress emotions for describing in a balanced way as independent academic, resistant to overwhelming discourses fabricated in intelligence agencies of both sides and imposed via mass media in the NATO nations and via autocratic tight media control in Russia. The main parties implied are: Ukraine, Russia, Europe, USA, and 'rest of the world'. Although it is said 'a war has only losers', there are a few winners, mostly belonging to big industry and big money.

### *Common People are Losing most*

All common people, citizens are losing from war. Obviously, the ones submitted to military action are losing most, often the ultimate: their own life. Ukraine citizens and soldiers are exposed most to the dangers, next Russian soldiers sent into this war. Most of all, people of Ukraine suffer also psychologically, emotionally, and economically. Similar suffering is loaded on some people beyond Ukraine, more when they have low incomes and/or are sensitive to the images and discourses about the war. Russian citizens opposed to the war are also dreadfully affected, detained when protesting, alienated from their birth country. At the state level, some impacts on economies and the military are considered.

### *Economies*

Economically, Russia is likely losing more than Ukraine: Russia's economy is heavily disturbed and reduced by sanctions, embargos, isolation. In Ukraine, significant infrastructures and buildings are destroyed; the USA-axis countries are already offering many financial resources to rebuild.

Beyond Ukraine and Russia, the economic losers coincide with the ones paying the trillion US\$ oil and gas rents. Additionally, particular activities are hurt by backfiring of sanctions. Western Europe (Germany in particular) is a significant loser in the short and in the long term.

Most of the oil & gas rents are charged on European common people, energy users when driving their cars on petrol (electric vehicles by now being a luxury) and living in not so well insulated dwellings. Next industrial activities still depending largely on fossil fuels, lose competitive advantage, because reliable, low-priced oil & gas supply from Russia is cut. Exports to nearby Russian markets dwindle.

Since the first days of the war, the USA and UK focus on the oil and gas business, announcing full stop on all imports from Russia. Following the leaders of the USA-axis, is a challenge for most European countries, practically difficult. Some European energy companies, not belonging to the inner circle of the USA axis, are reluctant in ending all contacts with Russia. Next to Europe, rents are mostly paid by industrialized East Asian countries depending on oil & gas imports, such as China, Japan, South Korea, Taiwan.

Economic winner is the leading consortium of the USA-axis. First the USA, being the world's top oil producer with 16.5 million bbl/day, 50% more than the 11 million bbl/day of Saudi Arabia and the 10.7 million bbl/day of the Russian Federation (BBC, March 8, 2022). The USA is self-sufficient in fossil fuel winning. Next, the petrostates of the Arab Gulf sharing in the oil & gas rents bonanza, and spending a significant share of the obtained billion US\$ in buying weaponry and luxury projects from alliance members.

A major win for the USA-axis is stifled competition in the oil & gas business, for example US shale oil and gas can be exported to Europe, at much higher prices than the supplies from Russia. The major oil corporations linked to the USA-UK tandem (BP, Chevron, Exxon, Shell) see rents income soar. In the short term they experience financial damage, like do the five European participants in the Nord Stream 2 venture. The Russian projects of oil major Total (France) are jeopardized, like Total experienced with its investments in Iran a few years ago by another USA sanctions round.

Apparently, the European tail of the USA-axis is not at the best side of the table: their economies are riddled; paying high rents extorts their economies and finances, causing inflation and economic recession, if not crisis. Poor people in the wealthy EU cannot afford the inflated oil, gas, and electricity bills. Similar effects were observed in the 1970s-begin 1980s in Europe.

Because nations are not masochist, what drives Europe to chain itself at the tail of the USA-axis? Trans-Atlantic cooperation since the end of World War 2 is evidently a strong, historical linkage. However, is protracting uneven cooperation among allies a solid basis for the future?

What are the extra forces keeping Europe in rank? The sequence for disciplining subordinated partners is: first, convincing by Ideas; second, seducing or bribing by Interests; third, enforcing by power; fourth, eliminating by silencing, exclusion, or liquidation. Seemingly, Europe has been disciplined by superior discursive power masterminded by the USA, gradually reinforced and expanded since NATO countries contributed to the USA invasions in Afghanistan and Iraq. Additionally, fear and uncertainty about more autonomous pathways, fence in the search for alternative options. For enforcing loyalty, the NATO provides the proper canvas for the military to overwhelm economic Interests of the subordinated allies.

### *The military*

In wartime, the military is winning attention, support, budgets, personnel, ... For example, the overnight addition of billion €100 to Germany's military budget. Other NATO members are also increasing military spending. December 15, 2021, the US Senate overwhelmingly [88-11 vote] approved billion US\$777 as 2022 budget for its military. By the Ukraine war, USA president has asked for many more billion US\$. Hence the future of the military related industries in the Western world is bright. They are winners. Losers are tax-payers seeing their contributions to the treasury squandered, while the needs for social purposes are immense and unsatisfied. Through NATO, the USA is binding Western Europe to contribute to its imperial governance of a large part of the world.

## 7 Totalitarianism and double standards

In the first half of the 20<sup>th</sup> century the world has been ripped by totalitarian regimes, with German, Japanese and Soviet Union nationalism in the vanguard. The regimes' crimes and the instigated wars were horrible.

In 2022, there is once more war in Europe, two decades after the Balkan wars (1991-1999). In Western media, Russia as aggressor in the Ukraine war is framed as a totalitarian state. Media framing is a significant component in modern warfare. Convincing evidence is available that Russia is governed by an authoritarian presidency with intelligence service links, with little hope on more democratization in the short term. However, the equivalence of autocrat Putin with totalitarians like Stalin and Hitler, is not supported by informed scholars (Marteel 2021).

Vilifying the enemy is part of war discourse, but delivers little positive effect. More important for Western citizens is the sober observation and assessment of the political system governing our lives and future of our children and grandchildren. On this point, some results from the seminal research and thinking by Wolin (2010) are reminded here.

### *Superpower USA, blessed hegemon of the globe*

The imaginary of the USA as superpower, the hegemon standing above international law, dates from the Cold War period, when the USA dumped World War 2 ally, the Soviet Union, "without whose contributions and horrific sacrifices the Allied victory would have been highly problematic" (Wolin 2010, p.26). In April 1950, the USA National Security Council stated: the USA must 'accept the responsibility of world leadership. This means mustering clearly superior overall power in its most inclusive sense'. How totalizing a Cold War becomes is shown in this summary of American strategy: 'Intensification of affirmative and timely measures and operations by covert means in the fields of economic warfare and political and psychological warfare with a view to fomenting and supporting unrest and revolt in selected strategic satellite countries' (of the USSR) (Wolin 2010, p.30).

'Totalitarianism's Inversion, Democracy's Perversion' (Wolin 2010, chapter 3) describes how the USA democracy metamorphosed in a totalitarian regime, organized as the inverse of the 20<sup>th</sup> century totalitarian regimes (Stalin, Hitler, Japan), which were founded on mass mobilization around (atrocious, immoral, vain) myths, imaginaries represented by its leader-architect and its entourage, broadcasted via full control of the public media, infesting the minds of the majority of the population. The regime controlled all sectors of society, including the economy.

In the inverted version now deployed in the USA, the myths, imaginaries are similar, also pursuing world hegemony. "Myth presents a narrative of exploits, not an argument or a demonstration. It does not make the world intelligible, only dramatic. In the course of its account the actions of the myth's heroes, no matter how bloody or destructive, acquire justification. They become privileged, entitled to take actions that are morally denied to others. No need to tally the Iraqi civilian casualties" (Wolin 2010, p.10).

The political system is not by personal rule but driven by abstract totalizing powers. The system succeeds by encouraging political disengagement rather than mass mobilization. It relies more on 'private' media than on public agencies to disseminate propaganda reinforcing the official version of events. The USA president-leader is not the system's architect but its product, a construct of public relations wizards and of party propagandists. Those who counsel the titular head of Superpower, supply the hubris that confuses opportunity with capability and grossly underestimates the resources needed to accomplish the grandiose goal of world hegemony.

During the presidency of Bush junior [2000-2007], the USA invaded Afghanistan and Iraq, framed by the 'Bush Doctrine': "We are not just any hegemon. We run a uniquely benign imperialism ... it is a fact manifest in the way that others welcome our power".

"Preemptive war entails the projection of power abroad, usually against a far weaker country. It declares that the USA is justified in striking at another country because of a

*perceived threat that US power will be weakened, severely damaged, unless it reacts to eliminate the danger before it materializes.” (Wolin 2010, p.48).*

*“In the case of Iraq, the script for applying the preemptive doctrine produced a disaster. Superpower’s toll – thousands of innocent lives, widespread economic devastation and social dislocation, and years of military occupation – was unintended rather than deliberate. The conqueror wants to avoid actually governing conquered land. A globalizing power wants military bases abroad, trading partners, markets, and consumers: suzerainty, not an old-fashioned empire” (Wolin 2010, p.49).*

*“The sole form of protest against the preemptive war and the repression policies of the administration took place not in the Congress, the courts, or an opposition party, but outside ‘official channels’, in the streets where hundreds of thousands of ordinary citizens organized themselves to protest the actions of the administration. Equally striking, the administration consistently ignored the protesters. The major media, attentive to official cues, followed suit with belated, condescending, and minimal coverage.” (Wolin 2010, p.78)*

#### *Discourses*

*“In the highly structured marketplace of ideas managed by media conglomerates, sellers rule and buyers adapt to what the same media has pronounced to be ‘mainstream’. Free circulation of ideas has been replaced by their managed circularity. The result is an essentially monochromatic media. In-house commentators identify the problem and its parameters, creating a box that dissenters struggle vainly to elude. The critic who insists on changing the context is dismissed as irrelevant, extremist, ‘the Left’ – or ignored altogether.*

*A more sophisticated structure embraces the op-ed page and letters to the editor. In theory everyone is free to submit articles or letters, but the newspaper chooses what suits its purpose with meager explanation of standards for acceptance – although it is obvious that the selected opinions represent limits set by the editors” (Wolin 2010, p.7).*

Wolin’s research and findings refer to the United States as Superpower, hegemon of the globe. However, systemic attributes of Inverted Totalitarianism are observable in the Russian approach, discourse and preemptive attack on Ukraine. Rejection of the Russian invasion is due, however not in a simplistic white (we the good ones) – black (they the bad ones) jacket. This strengthens the reigning hypocrisy.

#### *Hypocrisy*

Hypocrisy is widespread and deep-rooted. Quite problematic because hypocrisy undermines trust among people, among nations. Trust among people is an essential factor in democratic societies and in free markets (Arrow 1974).

The hypocrisy of the enemy is exposed and criticized, the own hypocrisy covers and accepts the criminal acts of Western hegemonic power executed by the USA, NATO allies, and allied nations such as Israel, Saudi Arabia, some emirates.

Preemptive invasions and wars (Afghanistan, Iraq, Libya, Yemen, Lebanon, ...) is a common way of intervention by Western aligned, militarized nations. Murdering unarmed citizens, often children, in occupied land is daily practice by the Israeli military, part of an Apartheid regime (Human Rights Watch 2021; Amnesty International 2022).

Assassination, openly or covert, is practiced by people in power, and is routine by some. The Russian secret services are famous for (also failed) poisoning of opponents of the regime. ‘Our side’ seems more effective: October 2, 2018, critical journalist Jamal Khashoggi, murder ordered by Mohammed bin Salman, the crown prince of Saudi Arabia; January 3, 2020, Qassem Soleimani (Iranian general), Abu Mahdi al-Muhandis (Iraqi leader), and eight companions, were assassinated by the US via a drone strike at Bagdad International Airport. Both named military leaders contributed significantly to the defeat of Islamic State in Iraq; November 27, 2020, nuclear scientist Mohsen Fakhrizadeh in Iran

by the Israeli intelligence Mossad (executions by Mossad is a too long list for this manuscript).

## 8 Conclusions

Wars are never to the benefit of ordinary people, neither a solution for the most pregnant problems the global community is facing. The outfall of the Ukraine war is immense, most for the people directly involved, also for the rest of the world. To name a few: militarization of Europe (in particular the turn of Germany to weaponization as means to address geopolitical problems); the strengthening of neoliberalism as dominating paradigm; the extortion of trillion US\$ rents from users of oil & gas; economic worries and recession in most countries dependent on imports. While transiting to renewable energy sources and technologies is highly advertised, money for investments is stripped from energy users, mainly by the rent skimming. Billion to trillion US\$ in rents are cashed by transnational energy companies, which they can use to transit to a low-carbon neoliberalist regime, where large-scale renewable energy projects drive out the small-scale projects.

A more positive insight sounds rather cynical: in the perspective of conflicts and wars triggered for excluding 'hostile' oil & gas supplies from the world market, Russia is the final nation with abundant resources to boycott by the USA-axis. In the chain of predatory wars, the Ukraine war is likely the final one.

People is hoping that the Ukraine war is ended soon, not protracting during many years. However, the latter is most likely: the fossil fuel business knows that their activities must shrink for succeeding in climate change mitigation. The more their sales of fossil fuels have to be reduced, the stronger they strive for excessive pricing of the 'last' billion ton-oil-equivalents allowed to sell. High prices are boosted by conflicts excluding the supplies of 'hostile' countries. Substituting USA shale gas (converted in LNG, shipped and reconverted to gas) for imported gas from Russia, causes a much higher carbon footprint. The military activities are exhausting significant volumes greenhouse gases, however not affecting the UNFCCC statistics, because the military is freed from reporting their emissions. Another hypocrisy loaded on concerned citizens. The USA-axis, and its neoliberal commanders of transnational corporations – mainly fossil fuel and weaponry businesses – obtain economic-financial advantages by protracting the war.

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