## **Energy strategy of USA**

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**Abstract:** America by importing about 10 million oil barrels per day is very dependent on Middle East as a region with about 56.6% of the oil in the world. This dependence on Middle East oil encountered USA with an extensive political and security issues during the previous decades. Here Barak Obama administration in its strategy emphasized more on some policies such as "Diversification", "reserve of fuel resources", increasing "energy efficiency" and investing on new energies to reduce USA dependency on Middle East oil by decreasing oil consumption.

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#### Introduction

Barak Obama in his energy strategy had a special emphasis on controlling Middle east, having close relationship with moderate countries, oil free transport and also all the issues being common between all the presidents in the oil strategy of America. But

one thing make him more different from other US presidents strategies and its is his emphasis on reduction of US oil dependency on Middle East. Barak Obama beside emphasizing on the importance of middle east oil and the problems US is encountered in reducing this dependency, believes that despite all problems, US dependency should be reduced for the sake of "national interest" and "position of America" in the world. Due to this the main question in this paper is raised as the followings:

What is the most important goal of Barak Obama to propose the new energy strategy in US?

To answer the main question of the paper, the following hypothesis is raised:

The most important US strategic goal in the form of Obama energy strategy is attempting to reduce oil dependency on Middle East. These efforts are based more on three fields: 1-diversification of fuel sources and import fuels, 2- using new energies and 3-optimization of fuel consumption.

## **Diversification Policy**

Although Middle East keeps its position in providing US oil, Washington is inclined to reduce this dependency based on "diversification strategy". In recent years in "US energy strategy", Caspian Sea regions and central Asia are taken into attention (Mirtorabi, 2006: 91). Encouraging oil production strategy in Azerbaijan, Kazakhstan and Torkamanestan, which was designed at Bush administration and is followed seriously in Obama administration, prove this fact.

According to "US energy ministry", this region has between 17 to 33 billion barrels oil and the probable reserve amount is exceeding 233 billion barrels. When these figures are proved, we can say that Middle East and Caspian Sea in terms of energy resources are in the second rank after Persian Gulf (EIA, 2001).

Besides, the emphasis on Africa and its oil-rich countries including Nigeria, Angola and Guinea Gulf countries which were started from Bush administration are of importance in Obama policy. America's purpose in these policies is that by 2015, Africa oil provide at least one fourth of US demand. The important point is that this amount of consumption in America in 2015 is about 5 million barrels (http://bashgah.net/pages-8563.html).

Besides Caspian Sea and central Asia countries and also Africa, Obama efforts to develop relations with America continent oil-rich countries including Venezuela and Mexico can be taken into attention. Now, three countries, Canada, Mexico and Venezuela are the most important providers of US oil and Obama administration is trying to guaranty this trend. Detente policy of Obama administration in Latin America and improving the image of this country and even symbolic actions of Obama in strengthening the relations with Venezuela is in this ground.

# Alternative energy

As it was said before, the efforts made with the aim of oil resources diversification in countries other than Middle Eastern could not reduce US dependency on Middle East oil, so, America is still concerned about this issue. Considering the increasing demand of US to energy, it is predicated that not only US dependency is reduced on Middle East oil, but also, it will increase more and more. Therefore, it is necessary to consider other energies in US administration strategy and by increasing the amount

of non fossil fuels energies, the dependency on oil and Middle East is reduced and air pollution resulting from the consumption of this produce is reduced in America

(http://www.barackobama.com/issues/newenergy/inde x.php).

Thus, in Obama energy strategy, the emphasis is more on other energies. Obama in his campaign had serious attention to environmental issues and after winning the election, tried to improve environmental standards in America. Besides, he is going to sign Kyoto protocol in which US should reduce its greenhouse gases considerably (Kyoto protocol). If Kyoto agreement is approved finally or new agreements are signed in future summit, America has no choice except improving standards of fuels and reduction of oil consumption and also moving toward less polluting energies. Thus, in Obama energy strategy more emphasis is on using other fuels that are called mostly clean fuels.

In the previous American governments important actions were done in this field but one of the most important issues in Obama strategies is developing the application of non- fossil fuels. The followings are the main contents of Obama energy strategy:

Invest \$150 billion to develop and deploy clean energy economy and create 5 millions of new jobs, Implement an economy - wide cap - and - trade program to reduce greenhouse gas emissions 80 percent by 2050, Ensure 10 percent of our electricity comes from renewable sources by 2012, and 25 percent by 2025 (Barack Obama's energy plan, 2010), Reduction of the federal Production Tax Credit (PTC) for 5 years to encourage the production of renewable energy, Reduction of electricity consumption in America as 20% by 2020 by creating strict standards in building and the buildings should have the best standards in terms of energy loss. Increasing the efficiency of new buildings to 50%, also increasing the efficiency and quality of the previously-built buildings to 25% during 10 years. Thus, energy loss in housing sector is prevented considerably by 2030, Trying to encourage people to use bicycle and public transportation and walk and also extensive investment in public transportation especially in bus system and subway in America (Obama-Biden New Energy for America Plan Summary, 2010). As it is seen in Obama energy strategies, America emphasizes more on clean fuels (John Davis, 2009).

### **Optimization of energy**

The Obama government creates production standards to make the companies and institutions take action in the modification of consumption model.

For example, extensive assistances of Obama administration to 3 great auto manufacturers companies were made. One of these conditions is

trying to make environment-friendly vehicles with low consumption. Here in Obama strategy, some standards make the companies and institutions to pass fossil fuels and move toward new fuels or at least by creating new technologies decrease consumption amount

Also Obama administration approved "American Recovery and Reinvestment Act". According to this act, America administration should invest 20 billion \$ on the research and development of highly-efficient engines, public transportation and rapid transition. This act requires investment on hybrid electric and hydrogen vehicles. In addition, Obama is going to invest on transportation system and vehicles using less fossil fuel. Hydrogen vehicles and solar or electric vehicles are such cars (Weiss, 2009). Also, Obama is in favor of increasing fuel efficiency. He asked auto manufactures take actions to increase efficiency and reduce fuel amount. For example, Obama on May 19, 2009 proposed that in 2016 personal cars and light truck fleet have only one gallon petroleum for every 36 miles. This proposal give auto manufacture companies to take the necessary actions, because in 2020 manufacturing below the stated standards vehicles will be forbidden. Currently American vehicles consume 305 more than Obama views and this amount should be decreased to 30% by 2020. According to the predictions, Obama order during the next 5 years decrease 1.8 billion oil consumption (President Obama, 2009).

Most of the experts believe that Obama's strategy had a crucial role on the reduction of US dependency on oil and pollution reduction of environment. For example, based on the researches of Natural Resource Defense Council Recovery, Reinvestment Act, and other works of Obama, increases energy security of America. As it was said before, this act is emphasized more on the production of low-fuel vehicles. It is predicted that production of such vehicles in future decreases the consumption of America transportation dedicating a great part of oil consumption. According to the estimations by Union of Concerned Scientists decision of Obama to produce low-consumption fuels in 2020 save 1.4 million barrels per day. This saving equals the oil importing currently from Saudi Arabia (Stevenson, 2009). So, Recovery and Reinvestment Act in 2020 can leads into the production of 350 million barrels (EIA, 2009).

### Conclusion

One of the most important concerns of human being in 21<sup>th</sup> century was clean energy supply. Supplying energy namely, the environment–friendly energy is one of human being desires in the new century. Here America as one of the biggest energy producers and consumers in the world is very

important. Great part of (about 60%) America consumptive energy is supplied by oil and gas (EIA, 2008). This case increases US dependency on Middle East considering its oil and gas capacity as America administration is forced to find solution to reduce oil dependency to this region. In other words, Americans are fully aware that without doing any serious action on energy and considering the unstable nature of Middle East policy beside daily importance of this region on supplying the world energy, there is no alternative except applying new policies in energy. These policies should guaranty cheap oil transfer from Middle East, this is the strategy of all presidents in America. On the other hand, optimization of fuel consumption and moving toward new fuels reduces oil dependency on Middle East. As it was investigated before, in Barak Obama strategies all the goals are gathered to reduce US oil dependency on Middle East and America is going to have less environmental problems.

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