The African ‘oil rush’ and US national security
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Online Publication Date: 01 May 2006
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ABSTRACT The world’s major oil-consuming nations, led by the USA, China and the Western European countries, are keenly interested in the development of African oil reserves, making huge bids for whatever exploration blocks become available and investing large sums in drilling platforms, pipelines, loading facilities and other production infrastructure. Indeed, the pursuit of African oil has taken on the character of a gold rush, with major companies from all over the world competing fiercely with one another for access to promising reserves. This ‘oil rush’ has enormous implications both for African oil producers and for the major oil-importing countries. For the producing countries it promises both new-found wealth and a potential for severe internal discord over the allocation of oil revenues (or ‘rents’); for the consuming countries, it entails growing dependence on imports of a vital substance from a region of chronic instability, with obvious national security overtones. Both these trends are reflected in US policy towards African oil. Desperate to procure additional supplies of foreign oil (to make up for the decline in domestic output), the Bush administration has made strenuous efforts to increase the role of US energy firms in African production. But because instability in Africa is an obstacle to such investment, it has sought to boost the internal security capacity of friendly African states and has laid the groundwork for direct US military involvement in Africa. At the same time Washington has become deeply concerned by China’s growing interest in African oil, provoking an intense competitive contest between the two, with growing military overtones. In the end African societies will most probably suffer from this competition as an influx of arms bolsters the capacity of entrenched African regimes.

Compared with the Middle East, Africa possesses a relatively modest share of the world’s petroleum reserves: about 9.4% of proven world reserves, compared with 61.7% for the Middle East. Nevertheless, the world’s major oil-consuming nations, led by the USA, China and the Western European countries, have exhibited extraordinary interest in the development of African oil reserves, making huge bids for whatever exploration blocks become available and investing large sums in drilling platforms, pipelines, loading facilities and other production infrastructure. Indeed, the pursuit of

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African oil has taken on the character of a gold rush, with major companies from all over the world competing fiercely with one another for access to promising reserves. This contest represents ‘a turning point for the energy industry and its investors’, in that ‘an increasing percentage of the world’s oil supplies are expected to come from the waters off West Africa’, the Wall Street Journal reported in December 2005. By 2010, the Journal predicted, ‘West Africa will be the world’s number one oil source outside of OPEC’.2

This ‘oil rush’ has enormous implications both for African oil producers and for the major oil-importing countries. For the producing countries it promises both new-found wealth and a potential for severe internal discord over the allocation of oil revenues (or ‘rents’); for the consuming countries it entails growing dependence on imports of a vital substance from a region of chronic instability, with obvious national security overtones. How these factors play themselves out in the years ahead will have a considerable influence on Africa’s continuing evolution. In examining these developments, it is first necessary to consider Africa’s role in the larger, global petroleum equation and explain why African oil, in particular, has aroused so much interest from the major oil-consuming nations.3

To begin with it is necessary to consider the state of world oil production and consumption, along with prevailing expectations regarding the future availability of petroleum. Until very recently the world’s oil producers largely succeeded in keeping pace with rising world demand for their product, which accounts for around 40% of the world’s combined energy supply. In 1960 the world produced and consumed some 21 million barrels of oil per day (mbd); in 2004 it produced and consumed 81 mbd—an increase of 285%. This steady expansion in output helped make possible the vast expansion of the world economy over the past half-century and has facilitated the emergence of new industrialised powers in Asia and other parts of the developing world. Any future expansion of the world economy, as well as the continued emergence of industrialised economies in the developing world, will require a similar growth in energy supplies.

It is the stated view of the US Department of Energy (DOE) and other energy-related organisations that the global supply of oil will continue to expand along with the expected growth in world demand. According to the DOE’s International Energy Outlook for 2005, world oil production capacity will grow from 80.0 mbd in 2002 to a projected 122.2 mbd in 2025; during the same period global consumption will climb from 78.2 to 119.2 mbd. This increase in global output will be made possible, the DOE suggests, by rising yield in many oil-producing areas, including the Middle East, the former Soviet Union, Africa and Latin America.4 However, there is a growing body of informed opinion that contends that global oil output will not be able to grow by the amount projected by the DOE, and that, in fact, it will fall far short of the 122 mbd predicted for 2025. Those who hold to this outlook refer to indications that the rate of new oilfield discovery has declined sharply in recent years and that many of the world’s existing fields have gone into decline or are likely to do so in the not-too-distant future.5 If this assessment proves accurate, the world supply of oil will prove wholly inadequate for
anticipated requirements in the decades ahead and the global economy will suffer accordingly.

Up until now the prevailing view among energy experts was that large amounts of oil remain to be discovered and that the world’s producers are capable of achieving the optimistic projections recorded by the DOE in 2005. For example, in its *International Energy Outlook* for 2002, the DOE asserted that ‘the long-term production potential for oil resources is healthy’. However, in recent months, there has been something of a swing in opinion, as some prominent figures in the field—including David O’Reilly, the CEO of Chevron—have come to the conclusion that world oil production may not continue on an upward path and that supplies could prove increasingly scarce in the future. ‘One thing is clear’, O’Reilly stated in an advertisement that Chevron has run in a number of major newspapers, ‘the era of easy oil is over’. And he warned: ‘When growing demand meets tighter supplies, the result is more competition for the same resources’.

It is in this context that we must view the world’s growing interest in African oil. Even if African oil output never reaches the Olympian heights long associated with Middle Eastern production, it is expected to continue growing in the years ahead at a time when output from many other areas is in decline; this, more than anything else, makes it significant. According to the DOE, combined oil output by all African producers is projected to rise by 91% between 2002 and 2025, from 8.6 to 16.4 mbd. Even if this projection proves overly optimistic, Africa will still figure among the very few major producing areas (the Caspian Sea basin is another) that are expected to post significant production increases in the years ahead. In an environment where any increment in output will be highly prized, Africa is certain to prove a powerful magnet for the world’s giant oil companies.

That Africa possesses this rare and prized capacity for increasing its net output of oil has been duly noted by both oil company executives and officials of the US government. ‘Considering the discoveries we’ve already made in [West Africa] and the potential for more’, Exxon Vice-President Harry Longwell remarked in 1999, ‘we expect that future operations in Africa will account for a significant portion of Exxon’s worldwide production’. A similarly optimistic assessment was offered recently by John R Brodman, Deputy Assistant Secretary of Energy for International Energy Policy. ‘Several recent studies undertaken by the US Department of Energy and others conclude that sizable but untested resource potential exists in many African and West African countries’, he told the Subcommittee on International Economic Policy of the Senate Foreign Relations Committee on 15 July 2004.

In the right circumstances, African oil production could rise by 4 to 6 million barrels a day in the next 10 to 15 years. In these scenarios, West Africa’s five key producing countries—Nigeria, Angola, Gabon, the Republic of Congo Brazzaville, and Equatorial Guinea—could see their combined production rise by 2 to 3 million barrels per day in the next 5 to 10 years and by 3 to 5 million barrels per day in the next 10 to 15 years.
Brodman was equally optimistic about the potential for finding oil in other African countries. ‘West Africa’s frontier oil countries, such as Senegal, Sierra Leone, and São Tomé and Príncipe…could also become hot exploration areas in the next decade’. ‘Under almost any scenario’, he concluded, ‘Africa will become an increasingly important supplier to the world’s energy markets in the next decade’. It is this that explains the current oil rush in Africa.

US policy on African oil

Current US government policy on the procurement of African oil is largely based on the National Energy Policy of 17 May 2001, the final report of the National Energy Policy Development Group (NEPDG). A high-level body appointed by President Bush in February 2001, the NEPDG was chaired by Vice President Dick Cheney and its final document is often referred to as the ‘Cheney report’. In the most general terms the report calls on the federal government to undertake numerous initiatives to substantially increase the nation’s supply of energy, including energy derived from petroleum. As is well known, these initiatives include measures aimed at increasing oil output from domestic US sources, most notably by commencing drilling on the Arctic National Wildlife Refuge (ANWR). But because America’s need for energy is expected to expand substantially in the years ahead, the report also calls for increasing US reliance on foreign sources of energy.

In light of Africa’s unique ability to increase its oil output in the years ahead, the Cheney report highlighted Africa’s potential to supply an ever-increasing share of the USA’s energy needs. ‘West Africa is expected to be one of the fastest-growing sources of oil and natural gas for the American market’, the report states. Moreover, ‘African oil tends to be of high quality and low in sulfur, making it suitable for stringent refined product requirements’. Particular mention is made of the oil potential of Nigeria and Angola. Nigeria’s 2001 production is estimated at 2.1mbd in the report, and that country is said to harbour ‘ambitious production goals as high as 5 million barrels of oil per day over the coming decades’. Angola is also described as a ‘major source of growth’, with the potential ‘to double its exports over the next ten years’. On this basis the Cheney report calls for vigorous action by the USA to promote increased oil output in Africa and to channel these additional supplies to markets in the USA. To accomplish this, American oil companies are encouraged to increase their investments in Africa and African countries are encouraged to welcome and facilitate such investment.

The Bush administration also seeks to enhance US access to African oil in order to reduce—to some degree, at least—US dependence on the ever-turbulent Middle East. While it is impossible to escape dependence on the Middle East altogether, the Cheney report notes, it is important to reduce US vulnerability to supply disruptions caused by Middle Eastern instability as much as possible—a strategy known as ‘diversification’. ‘Concentration of world oil production in any one region of the world is a potential contributor
to market instability’, the report notes. Accordingly, ‘encouraging greater
diversity of oil production… has obvious benefits to all market partici-
pants’. In accordance with this outlook, the Cheney report calls for
vigorous US efforts to increase imports boost from all potential alternatives
to the Middle East, but West Africa is viewed with particular favour in this
regard because many of its most promising new fields are located offshore, in
the Atlantic Ocean, and thus safely removed from the strife and disorder
of the African mainland. ‘Technological advances will enable the United
States to accelerate the diversification of oil supplies’, the report notes, ‘nota-
bly through deep water offshore exploration and production in the Atlantic
Basin, particularly West Africa.’

Despite the Bush administration’s obvious desire to increase US reliance on
African oil, the Cheney report does not explicitly acknowledge what is stated
openly in other government documents and in the testimony of US officials:
that increased oil investment in Africa is being hampered by widespread
corruption, outmoded (and unattractive) investment laws, internal disorder
and conflict, and a systemic lack of governmental transparency. In his 2004
testimony before the Senate Subcommittee on International Economic
Policy, for example, Deputy Assistant Secretary Brodman noted, ‘there
are a considerable number of obstacles to realizing successful development
of commercial trade and investment flows [to Africa] directly related to
economic, political, and security risks’, including ‘corruption, the lack of rule
of law, political instability, [and] ethnic and religious conflicts’. Overcoming
these obstacles and making African energy development projects ‘economic-
ally viable’, he affirmed, ‘is itself a tremendous challenge’.

In practice, this challenge breaks down into two main tasks: first, to
overcome endemic corruption and other structural impediments to foreign
investment in Africa; and, second, to improve the security environment in the
region so as to ease the anxieties of foreign oil firms over the safety of their
facilities and production personnel. Both tasks have received considerable
attention from the Bush administration—with progress on the first delegated
to the Departments of State, Commerce, and Energy, and progress on the
second delegated to the Department of Defense.

The Cheney report only addresses the first of these tasks. Although it does
not explicitly acknowledge the problem of corruption and unfavourable laws,
the report calls for concerted action to overcome such obstacles. Specifically,
the NEPDG offers three recommendations on securing additional oil from
Africa:

- The NEPD Group recommends that the President direct the Secretaries of
  State, Energy, and Commerce to… deepen bilateral and multilateral
  engagement to promote a more receptive environment for US oil and gas
  trade, investment, and operations.
- The NEPD Group recommends that the President direct the Secretaries of
  State, Energy, and Commerce to recast the Joint Economic Partnership
  with Nigeria to improve the climate for US oil and gas trade, investment,
  and operations.
The NEPD Group recommends that the President direct the Secretaries of State, Energy, and Commerce to support more transparent, accountable, and responsible use of oil resources in African producer countries to enhance the stability and security of trade and investment environments.\(^\text{17}\)

Since the release of the Cheney report in 2001, the figures named above (or their associates) have made a substantial effort to implement these recommendations. Until his retirement in 2005 Secretary of Energy Spencer Abraham was particularly conspicuous in this regard, meeting on several occasions with his African counterparts to discuss measures for improving the investment climate for African energy projects. In June 2002, for example, he attended the third annual meeting of African energy ministers in Casablanca. ‘We met with government and industry’, he testified several weeks later, ‘to discuss ways to improve energy trade and facilitate energy sector development to better serve US and African economic growth and development’. The meeting was a great success, he affirmed, because the African producers had reaffirmed their commitment to ‘stable regulatory structures’ and ‘discussed additional steps to encourage private investment in the energy sector’.\(^\text{18}\)

To further enhance the USA’s access to African oil, the Bush administration has also sought to expedite the removal of obstacles to participation by US oil companies in Libya and Sudan. Until now, these countries have been barred from US energy investment and trade—in Libya’s case, because of its support for terrorism and pursuit of weapons of mass destruction (WMD), in Sudan’s because of its egregious human rights behaviour. But Libya is now open to investment by US firms and Sudan could soon be so as well, if a peace agreement between the northern government in Khartoum and the Sudanese People’s Liberation Front (SPLA) takes hold and conditions improve in Darfur.

The issue of Libyan support for terrorism was largely dissipated in 2003, when Libya accepted responsibility for the 1988 bombing of Pan American Flight 103 over Lockerbie, Scotland, and agreed to pay compensation to the families of those who died in the crash. In February 2004, following a declaration by Libya that it would abandon its WMD programmes and comply with the Nuclear Non-Proliferation Treaty (NPT), President Bush rescinded a ban on travel to Libya and authorised US oil companies with pre-sanctions holdings in Libya to negotiate on their return to that country. Two months later, on 23 April 2004, the White House eased sanctions on Libya and announced that ‘US companies will be able to buy or invest in Libyan oil and products’.\(^\text{19}\) Finally, on 20 September 2004, President Bush signed Executive Order 12543, lifting most remaining US sanctions against Libya and paving the way for US oil companies to secure new contracts or revive old contracts for tapping Libya’s oil reserves. Since then, a number of US oil firms, including Occidental Petroleum and Chevron, have announced plans to resume production in fields they had abandoned 17 years earlier or to bid for new drilling opportunities in Libya.\(^\text{20}\)
Sudan has also been subjected to a US ban on oil investment by American firms. The country has been the site of a brutal civil for over 20 years, pitting the largely Muslim north against the predominantly Christian and animist south; some two million people are thought to have died in this conflict, and both sides have been accused of human rights abuses. In 1997 the Clinton administration imposed economic sanctions on Sudan, prohibiting trade and investment by US oil companies. The Bush administration has since endeavoured to promote a peace treaty between the government of the North and the SPLA in the South—both to halt the slaughter and abuse of Sudanese Christians by government troops and pro-government militias and also to allow for renewed investment by US oil companies in Sudan. Former Senator John Danforth, a close friend of President Bush, was appointed as a special envoy to Sudan and instructed to help arrange peace talks between the two sides. On 31 December 2004 the Sudanese government and the SPLA finalised a comprehensive peace agreement and subsequent talks led to the establishment of a national unity government in Khartoum along with a degree of autonomy for the south; the two sides also agreed to share oil revenues on a 50:50 basis. Further progress in the north–south peace process could lead to the lifting of US sanctions in Sudan, but this is not likely to occur while fighting persists in Darfur.

**Improving the security environment for African oil production**

Historically, Africa—especially sub-Saharan Africa—has been a low-priority area for the US Department of Defense (DOD). During the Cold War the DOD sought to prevent the USSR from gaining a foothold in the area, and the Central Intelligence Agency (CIA) conducted covert operations aimed at undermining the pro-Soviet regime in Angola. For the most part, however, the US defence establishment devoted relatively meagre resources to Africa (in comparison, say, with US military expenditures geared to Europe, Asia and the Middle East). But now, as a result of growing American reliance on African oil and the uncertain security climate in the region, the DOD is paying closer attention to Africa and there is a noticeable increase in US military activities in the region. These may still be modest when compared with similar activities elsewhere, but they are growing—and they are sure to acquire even greater significance in the years ahead as Africa gains in importance as a source of energy for the USA.

Although the relationship between military power and US reliance on foreign oil is a relatively new phenomenon in the African setting, it has long been a conspicuous factor in the US relationship with the Persian Gulf region. It was President Franklin D Roosevelt who first perceived a US national security interest in Persian Gulf oil, during World War II, and it was Roosevelt who established a security-for-oil relationship with Saudi Arabia. As part of this relationship the USA helped to arm and train Saudi military and internal security forces and to manage their logistical services. The relationship between US security and Middle Eastern oil was further strengthened in 1980, when President Carter designated the free flow of
Persian Gulf oil as a ‘vital interest’ of the USA and declared that this country would use ‘any means necessary, including military force’, to defend that interest. To implement this policy, widely known as the ‘Carter Doctrine’, the DOD established the US Central Command (CENTCOM) to oversee US military operations in the Gulf area and built up a substantial military base infrastructure in the region. This infrastructure was subsequently used to support US combat operations during the Gulf War of 1991, the 2001 war in Afghanistan, and the 2003 invasion of Iraq.\(^{24}\)

This trajectory of ever-expanding US military involvement is now evident in the Caspian Sea region—another promising source of new oil. As exhibited in the Gulf, this trajectory begins with the assertion of a ‘national security’ interest in the unimpeded flow of oil and is followed by the provision of arms and military assistance, the establishment of military bases and, ultimately, the deployment of US combat forces. This process commenced during the Clinton administration, when the USA established military ties with the forces of Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan and Uzbekistan, and was accelerated by the Bush administration after 9/11, when the USA established military bases in the region and deployed combat forces there.\(^{25}\) Ostensibly, the US military aid provided to friendly forces in the area is intended to enhance their ability to participate in anti-terror operations, but government documents indicate that it is also intended to help ensure the unimpeded flow of oil. Thus, in justifying a US role in creating a ‘rapid-reaction brigade’ in Kazakhstan, the Department of State noted that formation of the brigade will ‘enhance Kazakhstan’s capability to respond to major terrorist threats to oil platforms or borders’.\(^{26}\)

A similar trajectory is now visible in Africa. This began, as in the Gulf area and the Caspian basin, with the assertion of a US national security interest in unimpeded access to African oil. Commenting on this development, the former US ambassador to Chad, Donald R Norland, told the Africa Subcommittee of the House International Relations Committee in April 2002, ‘It’s been reliably reported that, for the first time, the two concepts—“Africa” and “US national security”—have been used in the same sentence in Pentagon documents’.\(^{27}\) This linkage was also noted by Michael A Westphal, Deputy Assistant Secretary of Defense for African Affairs, in a Pentagon press briefing on 2 April 2002. ‘Fifteen percent of the US’s imported oil supply comes from sub-Saharan Africa’, he declared, and ‘this is also a number which has the potential for increasing significantly in the next decade’.\(^{28}\) The national security implications of African oil were further acknowledged by Walter Kansteiner, the Assistant Secretary of State for Africa, during a visit to Nigeria in July 2002. ‘African oil is of strategic national interest to us’, he declared, and ‘it will increase and become more important as we go forward’.\(^{29}\)

As in the Caspian, these statements have been accompanied by the establishment or expansion of military aid programmes in Africa and by the provision of US arms, military equipment and technical assistance. To a considerable extent this aid is intended to enhance the internal security capabilities of friendly African states, so that they can better control (or
suppress) the ethnic, religious, and factional divisions that roil many of these countries. Not surprisingly, the largest portions of US aid to Africa are being directed to Angola and Nigeria, the two leading African oil suppliers to the USA. Total US security aid to these two countries in Fiscal Years 2004–06 amounted to some $180 million, a substantial increase over the previous three-year period. In Fiscal Year (FY) 2004 they also became eligible to receive surplus US arms under the Pentagon’s Excess Defense Articles (EDA) programme.30

In addition to the US aid programmes directed at individual countries, the USA is supporting a number of multilateral or regional initiatives aimed at enhancing African states’ internal security capabilities. Typically these programmes are described as being designed to improve anti-terrorism activities in the region or to support international peacekeeping operations, but the skills and techniques being imparted—small unit manoeuvres, counter-insurgency, light infantry operations, and so on—are of a sort that could easily be employed in the suppression of ethnic, religious and sectarian strife. And while relatively modest in dollar terms (that is, when compared with the amounts being spent by the DOD in the Middle East and Asia), these efforts represent a significant investment in the African setting, where military expenditures typically are much smaller.

The main channels for US transfers of arms and military equipment to African states are the Foreign Military Sales (FMS) and Foreign Military Sales Financing (FMF) programmes. These entail the sale of US arms and military equipment by the DOD to friendly countries, in some cases facilitated by the provision of US credits via the FMF programme. FMS sales to African states rose from $25.6 million in FY 2004 to $61.5 million in FY 2005 and then fell to an estimated $20.1 million in FY 2006. Major recipients included Djibouti ($19.4 million in FY 2005 and $8.5 million in 2006) and Kenya ($23.5 million in FY 2005 and $5 million in FY 2006). Other major recipients in recent years have included Botswana, Eritrea, Ethiopia, Nigeria and Uganda.31

Several African countries have also purchased US arms and equipment directly from US defence contractors through the Commercial Sales programme, overseen by the US Department of State. Major African beneficiaries of this programme in recent years have included Angola, Botswana, Kenya, Nigeria, Senegal, South Africa and Uganda.32 In addition, Algeria—a major oil supplier and potentially a supplier of natural gas to the USA—has been permitted to buy very large quantities of sophisticated counter-insurgency equipment from the USA for use in operations against the Salafists. US firms sold $78 million worth of such equipment to Algeria in FY 2004 and were expected to deliver an estimated $80 million worth in FY 2005–06.33

Most African countries participate in the International Military Education and Training (IMET) programmes, under which the USA provides instruction in combat and technical skills for African officers and enlisted personnel at bases in the USA and abroad. In recent years the DOD has allocated around $10 million per year to provide training to some 1300 to 1700 African
personnel. Major recipients in FY 2006 include: Algeria ($750,000), Angola ($400,000), Chad ($250,000), Cote d’Ivoire ($50,000), Democratic Republic of Congo ($150,000), Republic of Congo ($100,000), Eritrea ($450,000), Ethiopia ($600,000), Gabon ($200,000), Nigeria ($800,000), and Sao Tome ($200,000). The DOD also announced plans to initiate new IMET programmes in Equatorial Guinea and Sudan in FY 2006.34

Beginning in Fiscal Year 2003 the DOD has allocated funds to the new African Coastal and Border Security Program (ACBSP). This programme provides specialised training, equipment and intelligence data to selected African countries for efforts aimed at combating smuggling, piracy and other cross-boundary threats to internal and regional security. The ACBSP has also included efforts to promote intelligence sharing among the nations involved. In FY 2005 $4 million was appropriated for this purpose, and another $4 million was requested for FY 2006. Among the countries participating in this initiative are Angola, Chad, Djibouti, Eritrea, Ethiopia, Gabon, Kenya, Nigeria, Sao Tome and Uganda. In 2003 the DOD also commenced the delivery of seven surplus US Coast Guard vessels to Nigeria, significantly enhancing the Nigerian navy’s ability to protect offshore oil installations and oil tankers. In addition, the FY 2006 budget request includes $9.7 million in Economic Support Funds for the Africa Regional Fund, of which 25% will go to support counter-terrorism training and assistance for efforts to combat smuggling and money laundering.35

The USA has also provided funds over the years for various peacekeeping operations and training in Africa. Beginning in FY 2006 funds for peacekeeping training in Africa will be channelled primarily through the new Global Peace Operations Initiative (GPOI), replacing African Contingency Operations Training Assistance (ACOTA) and other US aid programmes. Out of the $114 million requested for GPOI in FY 2006, African states will receive most of the $14 million requested for training, exercises and equipment; an additional $37 million is to be funnelled directly to ACOTA programme accounts. The Bush administration has also requested $41 million in FY 2006 for the Africa Regional Peacekeeping account to support operations in Burundi, the Democratic Republic of Congo, Liberia and Sudan, and to strengthen the peacekeeping forces of the Economic Community of West African States (ECOWAS).36

Selected African states have also received US military aid through the Pan-Sahel Initiative (PSI). Through this endeavour the DOD allocated roughly $16 million in FY 2002–03 to deploy teams of US Special Operations Forces (SOF) to provide counter-terrorism training and equipment to Chad, Mali, Mauritania and Niger. This effort entailed the provision of training and equipment to six light infantry companies in the four countries. As a result of strenuous lobbying by US military officials, PSI was transformed into the new Trans-Saharan Initiative (TSI) in March 2004, and was expanded to include the important energy-producing countries of Algeria and Nigeria, along with Senegal, Tunisia and the original PSI participants. The TSI programme obtained initial funding of $16 million in FY 2005 and is slated to receive $100 million annually from FY 2007 to FY 2011, for a total of $500 million.37
Expanding US naval operations in Africa

In recognition both of Africa’s growing role as a supplier of oil to the USA and of the fact that all this oil travels by ship to ports and refineries in that country, the US navy has significantly increased its presence in African waters. Much of this activity is focused in the Gulf of Guinea, the body of water closest to the major West African oil producers and is itself the site of some of Africa’s most promising offshore oil reserves. The US navy has also conducted joint training operations with the naval forces of African states and engaged them in joint discussion of security problems in the region. A number of recent naval exercises and other events are evidence of the Pentagon’s perception of Africa as an area of growing strategic importance to the USA.

In May 2003 NATO Supreme Commander General James Jones indicated that US carrier battle groups under his command would shorten their visits to the Mediterranean, a traditional area of strategic concern. Instead, he indicated, ‘they’ll spend half the time going down the west coast of Africa.’ The most impressive demonstration of this approach to date came in July 2004, when the US navy carried out the ‘Summer Pulse 04’ exercise. This exercise was explicitly intended to demonstrate that the USA could conduct simultaneous naval operations in every major ocean, and respond to multiple contingencies at once. The African component of this exercise was conducted off the coast of Morocco, where the aircraft carrier USS Enterprise spearheaded a large battle group that included vessels from nine countries, including Morocco itself. The exercise, which entailed simulated air and sea combat, involved over 20,000 military personnel aboard 30 ships.

Three months later, in October 2004, the US European Command (EURCOM) hosted a three-day Gulf of Guinea Maritime Security Conference in Naples, Italy (headquarters of the US Sixth Fleet). Participants included naval leaders from Angola, Benin, Cameroon, Equatorial Guinea, Gabon, Ghana, Nigeria, the Republic of Congo, São Tomé and Togo, along with personnel from the USA, France, Italy, Netherlands, Portugal, Spain and the UK. The conference reportedly focused on common efforts to combat threats posed by piracy, smuggling and drug trafficking, as well as the fight against terrorism. It ended with a joint statement pledging participants to engage in ongoing dialogue, co-operation and joint activities.

The Gulf of Guinea was again a focus of American strategic concern in January 2005, when the US Navy commenced a two-month ‘Gulf of Guinea Deployment’ with participation by the USS Emory S Land, carrying about 1400 sailors and Marines. The deployment was the direct result of the 2004 Maritime Security Conference held in Naples in October 2004, and involved port calls at Douala, Cameroon; Port Gentil, Gabon; and Sekondi, Ghana. Instructors and sailors from Cameroon, São Tomé, Gabon, Ghana and Benin also participated in the operation. A second Gulf of Guinea deployment was conducted in May–July 2005, with participation by the US Coast Guard Cutter Bear.
More recently, in late September 2005, the US navy commenced a five-week West African Training Cruise (WATC) exercise with the deployment of the dock landing ship USS Gunston Hall and the high-speed vessel Swift. Host nations for the WATC include Ghana, Senegal, Guinea and Morocco. Scheduled activities included small boat training, live-fire exercises and amphibious raids. At the same time US sailors and marines will participate in Exercise Green Osprey, a British-led amphibious landing exercise on the coast of Senegal.43

These operations are particularly significant because they constitute the necessary preparations for what are, in fact, the most likely types of US military actions in Africa: naval operations against smugglers or saboteurs; the protection of offshore oil platforms; and sea-based air strikes or airborne assaults against insurgents who threatened to disrupt onshore oil facilities. While the prolonged employment of US ground troops may be deemed necessary in some circumstances, such as multilateral peacekeeping operations or a major threat to the survival of a favoured US ally, such as the government of Nigeria, the DOD would much prefer to avoid such deployments, given the hostility they undoubtedly would produce among those Africans who resent any expression or reminder of Western imperialism. By keeping the bulk of US forces offshore, however, the Pentagon hopes to avoid provoking such sentiments.

The search for bases in Africa

However, to ensure that the USA can swiftly deploy troops and military equipment on the ground, particularly in times of emergency when speed is of the essence, the DOD is now beginning to establish a basing infrastructure in Africa, again following the trajectory first witnessed in the Gulf and Caspian regions. In recognition of Africa’s colonial past and probable popular resistance to anything resembling a permanent military garrison, the DOD does not seek elaborate installations but rather ‘bare-bones’ facilities—usually an airstrip, basic communications links and a warehouse or two—that can be maintained on a day-to-day basis by local troops or private military contractors until needed by US forces for particular operations. Although Pentagon officials tend to emphasise the threat from terrorism when discussing the need for such facilities, they have also expressed a need to protect the flow of oil. In 2003, for example, a senior Pentagon official told Greg Jaffe of the Wall Street Journal, ‘a key mission for US forces [in Africa] would be to ensure that Nigeria’s oil fields, which in the future could account for as much as 25 percent of all U.S. oil imports, are secure’.44

Among the countries that have reportedly been considered as a potential site for the establishment of a US military base in Africa is the island state of São Tomé e Príncipe. São Tomé is located in the Gulf of Guinea near the major West African oil producers, yet is conveniently distant from the ethnic and political strife that has often overtaken countries on the mainland; it is also expected to be a major oil exporter itself, in conjunction with Nigeria (with which it has established a Joint Development Zone in the Gulf of...
Guinea). Although the DOD has not formally expressed an interest in acquiring a base there, the Deputy Commander of the US EURCOM, which exercises command authority over much of sub-Saharan Africa, visited the islands in July 2001 to examine possible basing locations.\textsuperscript{45}

In its efforts to secure other basing options, the USA has negotiated agreements granting it access to airfields and other facilities in several African nations. These facilities are often referred to as ‘lily pad’ facilities, because US forces can hop in and out of them in times of crisis while avoiding the impression of establishing a permanent—and potentially provocative—presence. They include Entebbe Airport in Uganda, where the DOD has built two ‘K-Span’ steel buildings to house troops and equipment; an airfield near Bamako, the capital of Mali; an airfield at Dakar, Senegal; an airfield in Gabon; and airfields and port facilities in Morocco and Tunisia.\textsuperscript{46}

The DOD has also sought basing facilities in North Africa, primarily to support anti-terror operations but also to bolster the US military presence in the region. After 9/11, the USA received permission from Djibouti to use Camp Lemonier as the headquarters for the Combined Joint Task Force—Horn of Africa, a multinational naval force led by the USA that monitors and interdicts possible terrorist travel routes at sea and suspected terrorist activities in adjacent countries, specifically in Somalia. Along with the headquarters element, 800 US SOF troops have set up base at Camp Lemonier.\textsuperscript{47} Likewise, under an agreement reportedly signed in July 2003 during Algerian President Abdelaziz Bouteflika’s visit to Washington, the DOD was granted the right to use the airfield at Tamanrasset, in southern Algeria, for the deployment of US P-3 Orion aerial surveillance aircraft.\textsuperscript{48} (In March 2004 P-3 based at Tamanrasset were reportedly used to gather intelligence on the activities of Algerian Salafist guerrillas operating in Chad and to provide such intelligence to Chadian forces engaged in combat against the Salafists.\textsuperscript{49})

The perceived challenge from China

For the most part US policy regarding African oil is aimed at improving the investment climate for US oil firms and strengthening the internal security capabilities of friendly governments. The DOD also seeks to establish a modest capacity for fighting any localised, indigenous forces that might threaten the free flow of petroleum exports. In the past few years, however, another perceived threat has arisen: the possibility that China will pre-empt US firms in the development of promising oil fields and compete with the USA for the loyalty of local governments—possibly through an increased level of arms sales and military assistance. Although not all US officials would put China in the ‘threat’ category with respect to African oil, there is concern over the growing Chinese presence in the region among some in Congress and the DOD.

Before addressing this controversy further, it is useful to make a few basic points about China’s role in Africa. First, China is not a newcomer to Africa, having played a significant role there for several decades; second, China’s
pursuit of oil assets in Africa is proceeding along lines long trodden by the USA and the major Western European countries. ‘The United States is not the only country deepening its engagement with Africa’, Michael Ranneberger, the Deputy Assistant Secretary of State for Africa, testified in July 2005. As a result of its rapid economic growth, ‘China is increasingly involved in the global marketplace, seeking new markets for its goods, and reliable sources of energy. Both are reflected in China’s increased engagement across sub-Saharan Africa.’

An examination of China’s efforts to acquire access to oil assets in Africa would reveal a pattern essentially indistinguishable those of the UK, France and the USA. All the major Western powers have long used whatever means and influence are available to them to secure access to African oil, including economic incentives, diplomacy and the provision of arms and military equipment. For example, during the 1966–69 civil war in Nigeria, the UK provided arms to the federal government in Lagos, while the French government, hoping to gain a foothold for French firms in the oil-rich Delta region (long the exclusive preserve of British and US companies), conspired to smuggle arms to the breakaway Biafran regime. As noted above, moreover, the USA continues to provide arms and military assistance to friendly oil producers in Africa. Hence, the fact that China has aggressively sought oil assets in Africa and accompanied its efforts with deliveries of arms and other aid cannot be viewed as an innovation but as ‘business as usual’. In saying this, we do not mean to excuse Chinese assistance to regimes cited for persistent human right violations, such as the northern government in Sudan, but seek only to show that China’s behaviour in this regard is not markedly different from that of the major Western powers.

To sustain its rapid economic growth, now averaging 9%–10% per year, China will need additional supplies of energy. According to the US Department of Energy, China’s total energy consumption will rise by 153% between 2002 and 2025, from 43.2 to a projected 109.2 quadrillion BTUs. This will entail increased consumption of all sources of energy, including oil. In the DOE’s projections, China’s net oil consumption will rise by 214% over this period, from 5.2 to 14.2 mbd. And because domestic petroleum production in China is expected to remain relatively flat over this period, at around 3 mbd, it will have to substantially increase its imports of oil in order to satisfy anticipated demand—much as is the case for the USA.

To obtain this additional petroleum, Chinese firms are scouring the world in the hunt for investment opportunities in untapped energy reserves. This search has taken Chinese firms to Russia, Kazakhstan, Iran, Indonesia, Venezuela—and to Africa. Chinese oil companies have already established a significant presence in Sudan: the Chinese National Petroleum Corporation (CNPC) now owns 40% of the largest oil-producing company in Sudan, the Great Nile Petroleum Operating Company. In January 2006 another state-owned firm, the Chinese National Offshore Oil Corporation (CNOOC) announced a $2.3 billion deal to acquire a 45% stake in a major Nigerian offshore oil field that is managed by Total SA of France; Chinese firms are seeking investment opportunities in Angola as well. According to Deputy

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Assistant Secretary of State Rannenberger, China now obtains roughly 30% of its oil imports from Africa and ‘China hopes to increase this proportion in the years ahead’.  

China has also strengthened its broader economic relations with a number of African countries—investing in mining projects and dam construction, for example—and has established military ties with a number of African governments, including those in Ethiopia, Nigeria, Sudan and Zimbabwe. China and has been providing arms and other forms of military aid to the Northern Sudanese government since the late 1990s, when CNPC assumed a major role in the Great Nile Petroleum Operating Company. More recently, in September 2004, Chinese military ties with the Nigerian government were significantly expanded when the Chinese arms producer Poly Technology announced that it would enter into a partnership with government-owned Defense Industries Corporation of Nigeria (DICON). After years of neglect, the Nigerian government has been seeking to revive DICON, which recently resumed production of small arms, grenades, ammunition and other light weapons for the Nigerian military.

From Rannenberger’s perspective, none of this is particularly unexpected, nor should it necessarily be considered alarming. China’s pursuit of African oil ‘should not be read as a threat’, he told the Africa Subcommittee in July. ‘Nations from every region are seeking markets in Africa and African sources of energy. In fact, this can work to advance our goals in Africa to the extent that it serves to increase prosperity and stability.’ He went on to express concern over the human rights implications of China’s continuing support for the northern Sudanese government, but ended with a plea for co-operation between the USA and China in maintaining the stability of world oil markets and seeking the peaceful resolution of conflicts in Africa. ‘China should have many of the same interests in Africa as the United States, based, among other elements, on our shared desire to diversify sources of supply, our shared reliance on a global oil market…[and] our shared interests in conflict resolution and promotion of national and regional stability.’ This being the case, the USA should ‘engage China directly, at all appropriate levels, to seek to develop new concepts of cooperation that can advance common interests’.

This hopeful view is not, however, shared by all US policy makers. ‘Amidst all of this hoopla over China’s rapidly growing economy, there is a dark side to [that] country’s economic expansion’, Rep Christopher Smith of New Jersey told the House Committed on International Relations (HIRC) in July. ‘China is playing an increasingly influential role on the continent of Africa, and there is concern that the Chinese intend to aid and abet African dictators, gain a stranglehold on precious African natural resources, and undo much of the progress that has been made on democracy and governance in the last 15 years in African nations.’ It is possible, of course, to take exception to Smith’s interpretation of recent developments in Africa and to suggest that Beijing hardly possesses the capacity to do all he ascribes to it; the fact is, however, that many other US policy makers hold a similarly alarmist view of China’s role in Africa, and this assessment will no doubt influence US policy in the years ahead.
The possibility that an alarmist view of China’s role in African oil could affect US policy is raised, for example, in the DOD’s 2005 report on Chinese military capabilities, The Military Power of the People’s Republic of China. In a section on ‘Resource Demands as a Driver of Strategy’, the report notes that China’s growing reliance on imported energy, especially oil and natural gas, ‘is playing a role in shaping China’s strategy and policy’. Such concerns, it continues, ‘factor heavily’ in Beijing’s relations with a number of major oil producers, including Angola and Sudan, and have prompted Beijing to seek close ties with these countries. ‘Beijing’s belief that it requires such special relationships in order to assure its energy access could shape its defense strategy and force planning in the future.’ Left unsaid in this statement (the report, it should be noted, is intended as an assessment, not a policy document) is the belief that any such efforts on China’s part could pose a challenge—even a direct threat—to US security interests. But even if the DOD did not make this point explicitly, there are others in Washington, including Representative Smith and other Republicans on the House and Senate foreign relations committees, who are certainly prepared to do so.

Conclusion

It is still early days in the US–China competition over access to African oil, and American policy makers have not—so far as is publicly known—adopted formal policies or taken concrete steps to thwart China’s growing interest in Africa’s oil reserves. The US aid programmes and military initiatives described above are aimed principally at combating terrorism and containing local threats to the safe flow of oil. But the very act of building military ties with African governments and providing them with arms and military assistance can be viewed as a form of low-level military competition with China for the loyalty of local elites. China, too, appears to be seeking ties of this sort, through its own modest military aid programmes. ‘Over the past decade, the engagement of China and the United States in Africa has begun to resemble competition for resources and influence that has the potential to result in an ugly dynamic akin to that created by the Soviet Union and the United States during the Cold War’, Rep Donald M Payne of New Jersey observed in July 2005. Whether all this will lead to something greater—and potentially far more perilous—is something that cannot be foreseen at this point, but it is something that bears close watching, given the obvious dangers this could pose for the states and peoples of Africa.

Although the US and Chinese military aid programmes in Africa are still relatively small—at least when compared with similar US programmes in the Middle East and the Caspian region—they are growing rapidly. And even relatively small programmes of this sort can have a significant impact on Africa, where defence budgets are relatively small by international standards and the introduction of several millions of dollars’ worth of modern arms and equipment can mark a substantial improvement in the combat capabilities of local forces. This, in turn, can negatively affect African
societies in a number of ways. First, they help to encourage African regimes to continue to rely on oil-based development rather than pursuing broader economic development strategies that promote local manufacturing and agriculture. As the work of Terry Lynn Karl and a number of other analysts has shown, the extraction of oil by countries in Africa and other parts of the developing world nearly always leads to political repression, corruption and violence.

Second, US (and Chinese) military involvement often aggravates internal political conflict over the allocation of oil revenues, particularly when the regime in power seeks to monopolise such revenues while depriving other groups in the population of an equitable share of oil rents. Typically such regimes depend on the army and police—usually the best paid and best equipped elements of the national government—to maintain their privileged position. This often leads to political unrest, which frequently turns violent since a resort to arms is often seen by marginalised groups as the only means of ousting the prevailing regimes and gaining a larger share of oil profits. In response, the regimes in power rely even more on military force to suppress dissent and so become even more beholden to the USA (or China) for supplies of arms and equipment. The resulting cycles of repression and revolt often threaten to produce disruptions in the flow of oil—exactly what Washington says it wants to prevent.

Third, by developing close military relationships with unstable and unpopular regimes, and becoming ever more deeply involved in African conflicts, the USA is fuelling an upsurge in anti-American sentiment in the region and promoting the growth of Salafists and other Islamic jihadist groups. This only increases the likelihood of future acts of terrorism against US targets, US-backed regimes, oil installations and innocent civilians. All of this, in turn, increases the risk of direct US military intervention in Africa, whether to help protect friendly regimes or to guard vital oil installations. Needless to say, such action would invite the rise of anti-American resistance movements and further acts of terrorism.

Finally, an escalating military competition between the United States and China for power and influence in Africa—in combination with escalating military competition in the Pacific, Central Asia, and the Middle East—will help to tilt the US–Chinese relationship in a more adversarial direction and will make it more likely that their rivalry will spiral into a direct or indirect (surrogate) confrontation. If history is any indication, Africa could well prove to be a future battlefield for proxy conflicts of this sort. For all these reasons, the accelerating ‘oil rush’ in Africa and the growing military involvement of the USA and China deserve to be given thorough, and critical, scrutiny.

Notes
3 The authors first advanced this argument in a paper with this title delivered at the annual meeting of the African Studies Association, Washington, DC, 18 November 2005.


8 DOE/EIA *IEO-2005*, Table E1, p 157.

9 Quoted in Margaret Ross, ‘Africa’s elephants of the deep’, *The Lamp*, Winter 1998–99, p 4. *The Lamp* was the official magazine of the Exxon Corp before its merger with Mobil.


13 Ibid.


20 Ibid.


23 The authors first made this argument in M Klare & D Volman, ‘Africa’s oil and American national security’, *Current History*, May 2004, pp 226–231.


32 Ibid, p 587.


37 For background on the PSI and TSI, see Donna Miles, ‘New counterterrorism initiative to focus on Saharan Africa’, American Forces Press Service, 17 May 2005, at www.eucom.mil; Catherine Fellow,


42 ‘Coast Guard cutter Bear kicks off 6th Fleet deployment’, Navy Newsstand, 7 June 2005.

43 Sailors, marines participate in West African training cruise ’05’, Navy Newstand.

44 Quoted in Greg Jaffe, ‘In massive shift, US is planning to cut size of military in Germany’, Wall Street Journal, 10 June 2003.


52 DOE/EIA, IEO-2005, Tables A1, A4, pp 89, 93.


55 HIRC, China’s Influence in Africa, p 18. For further discussion of China’s interest in African oil, see Rannenberger’s full testimony, ibid, pp 18–24.


57 HIRC, China’s Influence in Africa, p 16.


627

61 For background on these programmes, see Rannenberger’s 2005 testimony in HIRC, *China’s Influence in Africa*, pp 22 – 23.
