The Oil Wars Myth

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The Oil Wars Myth: Petroleum and the Causes of International Conflict.  

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Oil powers modern life. It provides gasoline for our cars, diesel for our trucks and trains, heavy oil for our ships, and jet fuel for our planes. Without oil, transportation would come to a standstill. Recreational and business travel would collapse. Shipping would cease. Military vehicles would be incapacitated; from jeeps to destroyers, modern defense establishments run on petroleum-based fuels. Even vehicles that consume biofuels, compressed natural gas, or nuclear energy would literally grind to a halt; without lubricants, derived from oil, there would be nothing to grease their gears.

Absent oil, New Englanders would experience very cold winters, as many communities use petroleum as a heating fuel. In Hawaii, the one US state that still relies on oil to produce electricity, losing it would turn out the lights. Outside the United States, oil-fueled power plants would shut down and people would no longer be able to compensate by firing up diesel-fueled generators. Globally, the petrochemical industry would take a beating. Plastics, fertilizers, paints, synthetic fabrics, and medicines are all manufactured from hydrocarbons. Absent petroleum feedstocks, output would drop, dramatically.

Recognizing oil’s exceptional value, Henry Kissinger called it “the world’s most strategic commodity,” while the international relations theorist Hans Morgenthau labeled oil “the lifeblood of industrially advanced nations.” Petroleum resources are also vital to the countries that produce them. If their oil disappeared, states like Saudi Arabia, Russia, and Venezuela would lose a crucial revenue stream. They would no longer be able to balance their budgets and maintain social spending, inviting popular discontent. The French industrialist Henri Bérenger summarized
petroleum’s extraordinary contributions to national power and prosperity in 1919 by proclaiming that “he who owns the oil will own the world, for he will rule the sea by means of the heavy oils, the air by means of the ultra-refined oils, and the land by means of the petrol and the illuminating oils. And in addition to these he will rule his fellow men in an economic sense, by reason of the fantastic wealth he will derive from oil.”

Oil’s unique value has led many people to assume that countries fight to obtain it. “Oil wars” figure prominently in popular culture. The final season of the critically acclaimed television show The West Wing depicted Russia and China poised on the brink of war over oil fields in Kazakhstan. As one character stated, “The Russians want the oil and are willing to fight for it. . . . Worst-case scenario, two nuclear powers are positioning themselves to actively engage in an armed conflict over oil.” In the speculative novel Ghost Fleet, a US naval officer explains that “the scramble for new energy resources . . . [is] sparking a series of border clashes around the world.” A few chapters later, China initiates World War III in order to grab a natural gas field in the US Exclusive Economic Zone.

These fictional storylines echo academic assertions that countries fight for petroleum resources. Andrew Price-Smith claims that “oil reserves are often a target of conquest,” while Christopher Fettweis contends that “resources have always been a great motivator for war.” Michael Klare predicts future resource wars, averring, “That conflicts over oil will erupt in the years ahead is almost a foregone conclusion.” Journalists also peddle oil war narratives; whenever international competition heats up in petroleum-rich regions like the Arctic, the East China Sea, the South China Sea, or the eastern Mediterranean, reporters predict that it will escalate to outright, militarized violence. Politicians have also reinforced the belief that countries fight for oil. As early as World War I, French prime minister Georges Clémenceau purportedly stated that “a drop of oil is worth a drop of blood.” In addition, generations of antiwar protesters have implied a connection between petroleum and conflict with their persistent invective, “No blood for oil.”

But do countries actually fight wars to acquire oil resources? We assume that we know the answer to this question: yes. However, this book will demonstrate that the conventional wisdom is, at best, a dramatic exaggeration and, at worst, a complete fiction.

**Oil Wars: Underdefined and Underresearched**

To determine whether oil causes international conflict, we first need to clarify the meaning of oil wars. The term is often deployed broadly to refer to any type
of militarized conflict that is linked—in any way—to oil. In Resource Wars, Michael Klare spans different scales of conflict, examining oil-related civil wars along with oil-related interstate violence. Jeff Colgan identifies eight distinct causal pathways from petroleum to international conflict, ranging from conquest of oil resources, to fights over petroleum transportation routes, to externalization of oil-oriented civil wars, to conflicts aimed at preventing the consolidation of control over global petroleum supplies. André Månsson also distinguishes between conflicts to secure global energy flows and conflicts over natural resource ownership.

Some forms of oil wars have attracted significantly more academic attention than others. Research on oil and civil wars, for example, is expansive. Since scholars began to focus on the topic in the mid-1990s, hundreds of books and articles have attempted to ascertain whether and how oil resources contribute to intra-state instability and violence. Some researchers argue that oil creates immediate incentives and opportunities for contention, while others emphasize the “slow violence” caused by petroleum extraction. The phenomenon of “petro-aggression” has also generated a substantial body of research. In this pathway from oil to conflict, petroleum-producing states with revolutionary governments use their resource revenue to facilitate international aggression, usually against their neighbors, who may or may not possess oil resources.

In contrast, other linkages between oil and violence have attracted limited systematic scholarly attention. Surprisingly, one of these understudied pathways is the type of oil-related contention that most often captures the popular imagination: what I call the “classic oil war.” These are severe militarized interstate conflicts in which participants fight to obtain petroleum resources. One country may attempt to grab another’s oil. Or countries may forcefully contest authority over disputed resource reservoirs. Other researchers have alluded to this form of contention in their overviews of oil-related violence. Colgan labels this the “resource war” pathway, Charles Glaser calls these conflicts “classic resource wars,” and Georg Strüver and Tim Wegenast identify them as “classical resource wars.” Indra de Soysa, Erik Gartzke, and Tove Grete Lie assess the related “blood oil” hypothesis, which proposes that “petroleum is a prize over which nations will fight.” I use the term classic oil wars to synthesize these concepts.

Classic oil wars are widely assumed to be regular and dangerous events in the modern international system. Historians and political scientists have classified a number of major conflicts, including Japanese and German aggression in World War II (1939–1945), Iraq’s invasion of Kuwait (1990), the Iran–Iraq War (1980–1988), the Falklands War (1982), and the Chaco War (1932–1935), fought by Bolivia and Paraguay, as classic oil wars. Some less prominent international conflicts, including Cameroon and Nigeria’s Bakassi Peninsula confrontations and
Ecuador and Peru’s contention over the Maynas/Oriente region, have also been identified as oil-driven.\textsuperscript{18}

However, scholars also describe classic oil wars as an “underdeveloped research agenda” and acknowledge that “systematic empirical evidence about the frequency of such conflicts is lacking.”\textsuperscript{19} Only a handful of statistical analyses have evaluated oil resources’ connection to interstate conflict, and those produced inconsistent results, with some finding that petroleum endowments increase the likelihood of contention, while others did not.\textsuperscript{20} Our understanding of classic oil wars is therefore strikingly limited, especially for events that are widely assumed to be a prominent and threatening feature of international politics.

\textbf{Classic Oil Wars: Fact and Fiction}

This book argues that countries’ willingness to fight for oil resources has been overstated. Oil is an exceptionally valuable commodity. All countries need petroleum to power their militaries and economies, while oil-producing states also depend on resource revenue to balance their budgets. Consequently, all countries would prefer to control more oil and will suffer severely if their petroleum needs are not met. Still, classic oil war believers make an unmerited cognitive leap by jumping from the observation that oil is extremely valuable to the conclusion that countries fight to acquire it.

I argue, to the contrary, that countries avoid classic oil wars. Despite petroleum’s extraordinary utility, international resource grabs do not pay. Seizing and exploiting foreign oil is far more challenging than oil war believers have recognized. At a minimum, states face four sets of impediments to obtaining the petroleum resources and revenue they desire. First, an aggressor must invade foreign or contested territory to seize oil fields. In the process, it may damage the oil reservoirs and infrastructure it aims to acquire. Second, to exploit captured resources, the aggressor must occupy conquered territories over the long term, exposing its forces and the appropriated petroleum industry to a hostile local population, which will try to impede resource exploitation.

Third, aggressors face retaliation from the international community, which regards oil grabs as illegitimate acts, as well as threats to international security. Third-party states and international organizations will therefore oppose classic oil wars diplomatically, economically, and militarily by censuring aggressors, sanctioning their oil sales, or forcefully ejecting them from conquered territories. Fourth, aggressors will have difficulty attracting the foreign investment they may require to exploit captured petroleum resources, as oil companies are reluctant to participate in petroleum projects in areas where political authority is illegiti-
mate or uncertain. Collectively, these four sets of impediments—which I call invasion, occupation, international, and investment obstacles—dramatically diminish the petroleum payoffs of classic oil wars. Recognizing these limitations, states refrain from launching major conflicts to grab petroleum resources.

Yet, if countries avoid classic oil wars, why do we continue to believe in these conflicts? Why do we predict that international competitions over petroleum resources will escalate into major confrontations? Why do we assume that countries’ oil ambitions are a significant cause of international contention? Why do we uncritically accept classic oil war storylines in popular novels and television shows? And why has this topic attracted so little rigorous scholarly attention?

The answer to these questions, I argue, is that classic oil wars are a myth: a foundational story we tell ourselves about how the world works. I invoke the terminology of myths to describe our collective belief that countries fight wars to acquire petroleum resources, because it highlights these conflicts’ unusual epistemological status. Classic oil wars are not a typical social scientific concept: clearly defined, carefully theorized, and regularly subjected to empirical assessments. Instead, they are taken for granted; they are simply presumed to be a prominent feature of international politics. Put another way, we take classic oil wars’ existence on faith. As a result, these conflicts have been immune to theoretical critiques and empirical challenges. The oil wars myth creates a collective intellectual blind spot.

This misplaced conviction is problematic, for academic and policy reasons. Oil war beliefs shape contemporary foreign policy choices. The United States established its military presence in the Persian Gulf in order to deter international petroleum grabs.\(^\text{21}\) Polar states are expanding their forces and facilities in the Arctic, partly to defend their oil resources against foreign aggression. China’s activities in the South and East China Seas, including confrontations with its neighbors over oil and gas exploration, as occurred near the Paracel Islands in 2014, look more threatening because we assume that competitions involving hydrocarbon resources can spiral into severe interstate conflicts. However, if states actually avoid classic oil wars, these confrontations are not a serious security threat. Nor do states need to be as vigilant in defending their own, or other states’, petroleum endowments. In addition, even if oil prices rebound from their current slump, we do not need to fear great power petroleum wars. Discovering that states do not engage in international oil grabs could therefore fundamentally alter our foreign policy choices.

Academically, determining that states avoid international petroleum grabs would change our answer to a core international relations question: What causes war? Bruce Russett has summarized the conventional wisdom about resources and interstate violence by asserting that “the need for assured access to
raw materials . . . provides a powerful driving force towards present-day international conflict.” Of all natural resources, oil is presumed to be the most likely to incite contention, as a result of its exceptional economic and military utility. If this proposition is false, however—if countries’ oil aspirations are only a marginal motive for international conflict or provoke only minor confrontations—then we need to update our understandings of resources’ contributions to interstate war, territorial disputes, and other forms of conflict. We should also ask ourselves, if countries have not been fighting for oil resources, what have they been fighting for? What has the oil wars myth obscured?

Method and Plan of the Book

This book dissects classic oil wars using a three-step approach. First, I examine the intellectual history of the oil wars myth to explain why we are so eager to believe that states fight to control petroleum resources. Second, I interrogate classic oil wars theoretically, showing that the causal logic underpinning these claims does not hold up to critical scrutiny. Third, I assess these conflicts empirically to determine whether, in the words of energy scholar David Victor, “classic resource wars are good material for Hollywood screenwriters. They rarely occur in the real world.” My analysis closely examines many of the historical conflicts that are commonly identified as classic oil wars—World War II, the Iran–Iraq War, the Chaco War, the Falklands War, and Iraq’s invasion of Kuwait—and presents a broader assessment of over six hundred militarized interstate disputes (MIDs), from 1912 to 2010, to determine whether oil ambitions contributed to leaders’ decisions for international aggression.

Since belief in classic oil wars rests on petroleum’s value, chapter 1 begins by tracing oil’s development from a largely invisible, worthless material into a vital natural resource. It then discusses oil’s contemporary military and economic significance for petroleum-exporting and petroleum-importing states. The chapter also situates the book within an existing international relations debate about the value of conquest, showing how oil’s exceptional utility has led most theorists to assume that the resource is worth fighting for. As I note, oil war skeptics have questioned these claims. However, their piecemeal critiques and limited empirical challenges have failed to dislodge classic oil war beliefs. To explain the tenacity of these convictions, the chapter introduces the idea of the oil wars myth: a powerful story we tell ourselves about countries’ willingness to fight over petroleum resources.

Chapter 2 explains why we believe in classic oil wars. It argues that the credibility of the oil wars myth arises from its connection to two other hegemonic nar-
narratives about the causes of violent conflict: Mad Max and El Dorado. The Mad Max myth asserts that countries, groups, and individuals fight because of existential need; if they fail to acquire more vital raw materials, they will die. The El Dorado myth intimates that actors fight out of greed; they grab resources in order to gain extraordinary wealth. The chapter traces these dual narratives across centuries of academic and popular discourse. It also shows how the Mad Max and El Dorado myths were applied to oil after it was identified as a valuable natural resource. Because classic oil wars align with these two well-established narratives, they appear eminently plausible. The oil wars myth is easy to believe in.

Yet the myth rests on shaky logical foundations. Chapter 3 challenges a key assumption underpinning classic oil war claims. It argues that, although oil war believers correctly observe that petroleum is extremely valuable, they err in jumping to the conclusion that fighting for oil pays. I describe four sets of impediments to seizing and exploiting foreign oil resources, all of which reduce the petroleum payoffs of classic oil wars: invasion, occupation, international, and investment obstacles. The intensity of each set of obstacles varies temporally and geographically. However, even under favorable conditions, the petroleum payoffs of international aggression are far lower than classic oil war believers have assumed. As a result, states are likely to avoid fighting for petroleum resources.

Chapter 4 provides a preliminary evaluation of this expectation by examining over six hundred MIDs to determine whether oil ambitions motivated each militarized conflict. It finds little evidence of classic oil wars: severe militarized interstate conflicts driven largely by participants’ desire to obtain petroleum resources. Instead, MIDs in oil-endowed territories were either very minor or motivated by other issues. To elaborate on these findings, I introduce four new categories of conflict: oil spats, red herrings, oil campaigns, and oil gambits. Oil spats are minor confrontations driven by petroleum ambitions; China and Vietnam’s 2014 confrontation over a drilling rig in the South China Sea is a typical example. These episodes occur fairly regularly but never escalate into more severe interstate conflicts. The next category, red herrings, can be mild or severe. However, these conflicts are not fought for oil. Instead, aggressors are motivated predominantly by aspirations to political independence or regional hegemony, national security concerns, domestic politics, national pride, or contested territories’ other economic, strategic, and symbolic assets. Red herrings are the dominant form of conflict in oil-endowed territories.

On rare occasions, states engage in oil campaigns. These major attacks target foreign petroleum resources. Yet they occur in the midst of ongoing wars that were not themselves caused by petroleum ambitions. Oil can therefore influence wars’ trajectories once they are under way. But it does not start them. The only possible exception is the study’s single oil gambit: Iraq’s invasion of Kuwait. I use the
term *gambit* to classify this case because it captures the conflict’s instrumental character. Iraq launched an international attack targeting foreign petroleum resources in order to achieve a broader goal: subverting a perceived existential threat posed by the United States.

The book’s remaining chapters conduct deeper dives into the historical conflicts that are most commonly identified as classic oil wars, framed by the four new conflict categories. Chapter 5 investigates two prominent red herrings: the Chaco War (1932–1935) and the Iran–Iraq War (1980–1988). These conflicts are widely assumed to have been oil-driven. Bolivia and Paraguay purportedly fought over the Chaco Boreal’s prospective petroleum endowments, and Iraqi president Saddam Hussein supposedly invaded Iran in order to seize its oil-rich Khuzestan Province. However, a closer examination of the cases challenges these interpretations. In the Chaco War, both belligerents knew that the contested territory did not contain oil resources. In the Iran–Iraq War, Saddam’s territorial ambitions were limited to small areas along the states’ bilateral boundary; he repeatedly offered to withdraw from Khuzestan if those demands were met. Neither war was fought to grab petroleum resources.

Chapter 6 presents a representative oil spat between Argentina and the United Kingdom. In this 1976 incident, an Argentine destroyer intercepted the RRS *Shackleton*, a British research ship, which the Argentines believed was unilaterally exploring for oil near the contested Falkland/Malvinas Islands. The confrontation inspired intensely hostile rhetoric. However, it rapidly died down and the states began to pursue oil cooperation as a means of resolving their ongoing islands dispute. The chapter also demonstrates that the countries’ later, major conflict—the Falklands War (1982)—was another red herring. Rather than being driven by oil ambitions, it was provoked by Argentine officials’ determination to retake the islands before the sesquicentennial of British occupation, a rapidly changing security situation in the South Atlantic, and miscalculation of the Thatcher government’s likely response.

Chapter 7 examines two prominent oil campaigns: Japan’s invasion of the Dutch East Indies and northern Borneo (1941–1942) and Germany’s aggression against the Soviet Union in World War II (1941–1942). As previous authors have noted, oil ambitions drove both attacks; the Japanese and Germans were desperate to acquire additional petroleum resources. However, their willingness to fight for oil was endogenous to their ongoing conflicts: the Second Sino–Japanese War (1937–1945) and World War II in Europe (1939–1945). These existing conflicts were not themselves caused by petroleum ambitions, and, in their absence, both aggressors would have refrained from fighting for foreign oil. As it was, Japan and Germany delayed their oil campaigns for as long as possible, only resorting to in-
ternational aggression after alternative means of satisfying national petroleum needs had failed.

Chapter 8 evaluates the unique historical oil gambit: Iraq’s invasion of Kuwait (1990). This episode tops most lists of classic oil wars, and for good reason; Saddam initiated a severe conflict that aimed to seize his neighbor’s petroleum resources. Yet labeling Iraq’s invasion a classic oil war is an oversimplification. Although Saddam aspired to control Kuwait’s oil, his broader goal was to resist a perceived existential threat emanating from the United States. Saddam believed that the US government was inciting Persian Gulf oil producers to drive down international oil prices in order to achieve its long-standing ambitions of preventing Iraq’s regional rise and removing him from power. Saddam initially tried to counter this threat domestically and diplomatically. However, after those initiatives failed, he reluctantly turned to international aggression, believing that it offered the only means of resisting the United States and possibly securing his regime’s survival. Chapter 8 also includes a postscript examining the United States’ 2003 invasion of Iraq, which demonstrates that even global hegemons avoid classic oil wars.

Collectively, my findings challenge the oil wars myth by revealing that states are extremely reluctant to fight for petroleum resources. Oil ambitions may inspire mild international sparring. They occasionally affect the trajectories of wars that are already under way. However, with one possible exception, oil aspirations have not caused severe interstate conflicts. Moreover, if we choose to label Iraq’s invasion—the one plausible candidate—a classic oil war, we must also acknowledge that these contests look very different from the greedy petroleum grabs that we often imagine. The conclusion builds on these findings to discuss the minimal security threat posed by current and future oil competition, the reasons petroleum has not been subject to the same imperialist logic that governed states’ engagement with other natural resources, the book’s implications for other types of oil-related contention and US foreign policy, and the dangers of allowing myths to drive our analyses and decision making.