

Is the “Oil Weapon” Fading Away?

Ever since the early 1970s, US dependence on foreign oil—more particularly “Arab oil”—has been a military concern of the first order. President Nixon gave thought to seizing Gulf oil in the Arab embargo of 1973. After that, the US focused on keeping others—Saddam Hussein, Iran—from doing the seizing. What if the US need for such oil simply fades away? That, suggests a

Congressional Research Service study, is happening. In the last six years, overall US imports fell by 33 percent, to 8.4 million barrels a day in 2011. Foreign oil, 60 percent of US usage in 2005, is now 45 percent. A new US forecast (chart below) projects imports will decline or flatten out for another two decades. If so, will we see the end of “the oil weapon” itself?

Lower Expectations for Future US Oil Imports



Source: “US Oil Imports and Exports,” Neelesh Nerurkar, Congressional Research Service, Washington, D.C., April 4, 2012, based on the Annual Energy Outlook from 2005, 2007, 2011, and 2012, DOE Energy Information Administration.