

The Trump Doctrine on Energy

If you go by the mainstream media's lockstep 'coverage' of the US president's first six months, he is no more nor less than a tweeting buffoon. A comforting narrative for cant-addicted newsroom hacks and groupthinkers, it handily avoids any and all mootings of Australia's need to follow his lead



Our federal and state politicians scuttle about looking for innovative new ways to strangle the Australian energy sector. But across the Pacific, America is unleashing a world-changing energy revolution. The world's energy fundamentals are in transition. Donald Trump is liberating American coal, gas, oil and nuclear industries from eight years of Obama's harassment and restrictions.

The consequences for us as a player in energy-export markets are dire. In an officially supportive environment, Australian energy could hold its share – intrinsically, it has global competitiveness. But politics here involves 'renewables' targets and other sacrifices to please the climate gods, bans such as Victoria's on [normal and fracked gas exploration](#), official and green lawfare against every new energy project (think Adani), impromptu Turnbull [restrictions on LNG exports](#), Sargasso seas of red tape, and on-going fatwas against nuclear proposals.

Domestically, American industry will enjoy cheap energy inputs, while our own industry's energy becomes as expensive as anywhere in the world. This disparity will play out in Australian factory closures and capital flight to the US.

A banana republic couldn't do a better job of destroying its own wealth.

The US is now estimated to have 20% more oil than the Saudis – at USD50 a barrel, a storehouse of USD \$13 trillion. The US has been a net energy importer since 1953, but thanks to fracking is now likely to be a net exporter as early as 2020. American LNG could move into net export surplus as early as this year. By 2040, US natural gas exports alone could bring in USD \$1.6 trillion, and generate USD \$110b in wages. US gas reserves are also enough to meet domestic needs for a century. The American energy revolution – in Trump's word, "dominance" – seldom makes the mainstream media here, which is fixated on the schoolyard narrative of Trump as a tweeting buffoon.

Want to know what's really important? Trump on June 29 addressed the [Department of Energy's](#) "Unleashing Energy" conference in Washington.

His policy announcements were so shattering to the green/left ideology – he talked of "clean, beautiful coal" for example – that his message went almost unreported here. Trump said

The golden era of American energy is now underway. When it comes to the future of America's energy needs, we will find it, we will dream it, and we will build it.

American energy will power our ships, our planes and our cities. American hands will bend the steel and pour the concrete that brings this energy into our homes and that exports this incredible, newfound energy all around the world. And American grit will ensure that what we dream, and what we build, will truly be second to none.

Today, I am proudly announcing six brand-new initiatives to propel this new era of American energy dominance.

First, we will begin to revive and expand our nuclear energy sector which produces clean, renewable and emissions-free energy. A complete review of U.S. nuclear energy policy will help us find new ways to revitalize this crucial energy resource. [US nuclear

plants have been shuttering because of cheap gas and low power demand].

Second, *the Department of the Treasury will address barriers to the financing of highly efficient, overseas coal energy plants. Ukraine already tells us they need millions and millions of metric tons right now. There are many other places that need it, too. And we want to sell it to them, and to everyone else all over the globe who need it. [Geo-strategically, US coal and LNG could weaken Russian energy hegemony in Europe. Cheniere Energy has just delivered the first U.S. cargoes of LNG to Poland and the Netherlands].*

Third, *my administration has just approved the construction of a new petroleum pipeline to Mexico, which will further boost American energy exports. [This New Burgos Pipeline will deliver up to 180,000 barrels a day. The US is Mexico's main petroleum supplier.]*

Fourth, *just today, a major U.S. company, Sempra Energy, signed an agreement to begin negotiations for the sale of more American natural gas to South Korea.*

Fifth, *the United States Department of Energy is announcing today that it will approve two long-term applications to export additional natural gas from the Lake Charles LNG terminal in Louisiana. It's going to be a big deal. [Currently the US exports LNG only through Sabine Pass, Louisiana, but four other terminals should come on line between 2018 and 2020, competing with Australia, Qatar and Russia].*

Finally, *to unlock more energy from the 94 percent of offshore land closed to development, we're opening it up, the right areas. Under the previous administration, so much of our land was closed to development. – we're creating a new offshore oil and gas leasing program. America will be allowed to access the vast energy wealth located right off our shores. And this is all just the beginning – believe me.*

Is Trump merely rhapsodising? No way. His energy track record in his first half-year — again, carefully ignored by Australia's mainstream media — speaks for itself.

- The Environmental Protection Agency was ordered to dump Obama's "Clean Power Plan" designed to bump up household electricity rates by 14%
- The long-frustrated Keystone pipeline from Alberta to Illinois/Texas got fast-tracked approval
- Obama's ban on new coal leasing on federal land was revoked – these lands involve 40% of US coal production.
- The US has dumped its Paris Climate commitments, which Trump says will save taxpayers USD3 trillion, and protect 6.5m US industrial jobs. "Maybe we'll be back into it someday, but it will be on better terms," he said last week
- Hundreds of thousands of hours of red-tape energy regulations – including on fracking - were abolished.

Trump spelt out his energy philosophy. "With [our] incredible resources, my administration will seek not only American energy independence that we've been looking for so long, but American energy dominance.

"And we're going to be an exporter — exporter!" he promised. "We will export American energy all over the world, all around the globe. These energy exports will create countless jobs for our people, and provide true energy security to our friends, partners, and allies all across the globe."

Unlocking energy would generate millions of jobs and trillions in wealth, he said. For over 40 years, America was vulnerable to foreign regimes using energy as an economic weapon. Americans' quality of life was diminished by the idea that energy resources were scarce.

Many of us remember the long gas lines and the constant claims that the world was running out of oil and natural gas.

Americans were told that our nation could only solve this energy crisis by imposing draconian restrictions on energy production. But we now know that was all a big, beautiful myth. It was fake. The truth is that we have near-limitless supplies of energy in our country. Powered by new innovation and technology, we are now on the cusp of a true energy revolution.

We have nearly 100 years' worth of natural gas and more than 250 years' worth of clean, beautiful coal. We are a top producer of petroleum and the number-one producer of natural gas. We don't want to let other countries take away our sovereignty and tell us what to do and how to do it. That's not going to happen.

But this full potential can only be realized when government promotes energy development instead of obstructing it like the Democrats. We have to get out and do our job better and faster than anybody in the world. This vast energy wealth does not belong to the government. It belongs to the people of the United States of America. Yet, for the past eight years, the federal government imposed massive job-killing barriers to American energy development.

Job-killing [Obama] regulations are being removed. I'm dramatically reducing restrictions on the development of natural gas. I cancelled the moratorium on a new coal leasing on federal lands.

We have finally ended the war on coal. And I am proud to report that Corsa Coal just opened a brand-new coal mine in the state of Pennsylvania, the first one in many, many, many years

We're ending intrusive EPA regulations that kill jobs, hurt family farmers and ranchers, and raise the price of energy so quickly and so substantially.

From all this are two take-home messages: in the US, you ain't seen nothing yet. And for Australia, we can either change tack on energy madness or fall under the wheels of the US juggernaut.

Tony Thomas's book of essays, "That's Debatable – 60 Years in Print" is available [here](#).