

Biden's Gamble to Take Control of Europe's Destiny. LNG Corporations and Washington "Work Hand in Glove" to Destabilize Europe's Energy Market

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The Russian invasion of Ukraine provided a tremendous opportunity to the Biden administration to dominate Europe and the American fossil fuel industry that was "<u>licking its</u> <u>lips</u>" to hit the jackpot from the looming energy crisis. Since the outset of the war, the liquefied natural gas (LNG) corporations and Washington worked hand in glove to steal the European wallets of the European states and raise their dependence on the US.

In a hasty <u>letter</u> to Joe Biden on February 25, the country's energy group, LNG Allies, sought the US president's public support for ramping up domestic gas and oil production to support the allies abroad. It urged him to instruct the US Department of Energy (DOE) to immediately approve pending LNG export licenses and direct the independent Federal Energy Regulatory Commission (FERC) act within six months.

Within three weeks, the DOE <u>issued</u> two long-term orders to authorize 0.72 billion cubic feet per day (bcf/d) of LNG exports from Corpus Christi and Sabrina Pass in Texas and Louisiana to any country including Europe. A month later, the Department <u>authorized</u> two more longterm orders of 0.5 bcf/d of LNG exports from Golden Pass LNG and Magnolia LNG, operating in the same states.

America's LNG export capacity is set to grow by a combined 5.7 bcf/d as <u>three</u> export projects – Golden Pass LNG, Plaquemines LNG and Corpus Christi Stage III – begin construction but they will not be operational before 2025. Meanwhile, ordinary Americans should be braced for the "<u>severe impacts</u>" of domestic gas diversion from the US in the form of high energy bills.

In a public façade, the influential gas industry wanted the Biden administration to use America's <u>strategic</u> assets to help keep prices low, support international allies and move more natural gas to domestic consumers. Yet in effect, none of them cared for inflation-beaten Americans as the FERC in May <u>approved</u> three natural gas and LNG projects to push

the country's energy exports.

The US Energy Information Administration (EIA) claimed the authorization improved the domestic natural gas infrastructure in those areas; the alliance between the gas industry and the White House to sell high-priced LNG and lock Europe dependence was clearly visible notwithstanding the action raised the <u>heating</u> bills of American households.

Prior to the Moscow-Kyiv war, America was already trying to dethrone Russia. Leveraging its vast influence in the continent, the US in 2021 finally managed to displace Russia and Qatar to become Europe's <u>largest</u> source of LNG. This was despite the LNG imports of 13 European Union (EU) countries saw a drop of 4% from the previous year to <u>80 billion cubic</u> <u>meters</u> (bcm), according to the European Commission (EC).

The US was already ratcheting up its LNG shipments to Europe. Per the DOE's LNG Monthly, Washington almost doubled its LNG exports to the European Union (EU-27) and the UK from 3.4 bcf/d in November 2021 to 6.5 bcf/d in January 2022, the most shipped to Europe in a month. In January, the EC data showed a surge of <u>44%</u> in the EU LNG imports from America. For 2021, the US LNG exports were estimated at more than 22 bcm with a projected value of €12 billion.

Once the war broke out, the US was best placed to ship more LNG to Europe at inflated prices. The continent is on track to refill its low natural gas inventories by switching to LNG (and coal) but at a price estimated to be more than 10 <u>times</u> higher than the historical average. So too the US emerged the world's largest LNG exporter in the first half of 2022 on the back of increased LNG prices in Europe and now has the much greater room to maneuver to influence the European policies.

In March, Biden pledged to provide the EU, which bought <u>155 bcm</u> of natural gas from the Kremlin in 2021, at least <u>15 bcm</u> of more LNG to wean its dependence off Russia. Yet there's a catch: the US gamble to replenish the European gas stocks with 50 bcm of further LNG by at least 2030 and take control of the continent's destiny is a bridge too far.

According to the Refinitiv data, Washington by June had almost <u>tripled</u> its LNG shipments, 39 bcm of LNG, to Brussels; the expensive purchases elevates threats of economic <u>recession</u> in Europe that is gripped by rampant <u>inflation</u>, energy price spike and sluggish growth. As the US LNG is pollution-intensive over production by <u>fracking</u>, a technology broadly banned in the EU, a supply of 50 bcm of additional American LNG every year through the decade exposes the transatlantic commitment to climate change.

Since 2016 when the US began to export LNG, the Gulf of Mexico has been a key <u>hub</u> for LNG shipments abroad, most of which heads to Europe. The FERC approved several construction projects including in Texas and Louisiana; these export plants are a "lose-lose proposition" for the communities in the region, Europe and the climate for they emit large <u>amounts</u> of greenhouse gases with floods and hurricanes making 40% of the <u>population</u> across the coastline vulnerable.

Phlegmatic about Americans' health and climate pledges, the Biden administration is rather keen to <u>cement</u> its status as the world' top fossil fuel exporter on purpose: to deepen Europe's dependence on the US. Bringing Tehran on the global market should help Brussels yet Washington is ascertaining Europeans do not heave a sigh of relief and are in need of America "<u>even more</u>" next year when the Russian oil flows are dried up.

Increasing Europe's reliance on the US economy, military and culture is invariably a top American priority. Analyses that characterize the US empire as "humane" and scare the continent of America's ability to wage war anywhere, <u>invade</u> any country at will and fight multiple wars simultaneously are part of a grand strategy to prevent the European <u>economy</u> from taking over the US and suppress its pursuit of strategic autonomy, let alone sovereignty.

The Biden administration's gluttony to heighten the European <u>strategic dependence</u> on the US through a close and well-coordinated nexus between the White House and the gas industry puts America's climate change promises on the back burner and delivers a free opportunity to itself to openly <u>exploit</u> the Ukraine war and elbow out Europe off the track of its strategic and economic autonomy.

But the strategy is facing a strong <u>backlash</u> at home where <u>expected</u> sharp price hikes in electricity and heating bills ahead of a harsh winter will test the inflation-battered Americans, whose raging response may be reflected in the November midterms. Europe too is feeling the pinch of the US economic pillage as the European leaders question the "great <u>friendship</u>."

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Azhar Azam is a private professional and writes on geopolitical issues and regional conflicts.

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| 4