POLITICO

Blood for oil: Meet the world's worst leaders selling dirty energy to Europe

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Europe is courting some extremely dodgy regimes for oil and gas.

Vladimir Putin's brutal invasion of Ukraine means EU leaders are spending the summer cozying up to presidents, and the odd crown prince, who rank among the world's most autocratic heads of state; from warmongers to human rights abusers and serial polluters.

Call it European energy *realpolitik*.

"The European Union has ... decided to diversify away from Russia and to turn towards more reliable, trustworthy partners," Commission President Ursula von der Leyen said this month, speaking alongside Azerbaijan's President Ilham Aliyev.

Meanwhile, French President Emmanuel Macron on Thursday hosted Saudi Arabia's Crown Prince Mohammed bin Salman — who controls a lot of oil but stands accused of ordering the murder of journalist Jamal Khashoggi.

Elsewhere, the likes of German Chancellor Olaf Scholz and Italy's Prime Minister Mario Draghi have been busy wooing North African states for hydrocarbons.

It's all about plugging a massive hole.

Last year, Russian natural gas accounted for 40 percent of EU demand and Russian crude came to a quarter of EU imports. The bloc's REPowerEU program aims to radically cut that dependence with energy savings and new supplies.

That's triggered a scramble for non-Russian oil and gas, but most alternatives come with ethical baggage. Suppliers from Saudi Arabia to Qatar, Algeria and Iran all rank low on the Human Freedom Index, a barometer of open countries by the U.S.-based libertarian Cato Institute.

Here, from worst to best, are the moral entanglements that come from the EU's need for fuel, according to POLITICO's Blood for Oil Index.

Russia

Relations with Russia are in the dumpster as Putin's military continues to pummel Ukrainian cities and slaughter civilians. The U.S. Senate on Thursday unanimously approved a resolution calling on Secretary of State Antony Blinken to designate Russia a state sponsor of terrorism.

Human Freedom Index: 126 of 165 (The ranking hasn't caught up with the Kremlin's bloody exploits in Ukraine).













Saudi Arabia

There's a lot riding on Saudi Arabia, and bin Salman knows it. While Saudi oil accounts for less than 10 percent of Europe's total imports, the country has a big say on what OPEC does, and therefore on the state of the global market.

U.S. President Joe Biden has already visited the Middle East this month to try and shore up supplies, ditching his earlier vow to make the Saudi royal a "pariah." It's not just the Khashoggi killing. A Saudi-led coalition continues a bloody war in Yemen that has killed thousands. Saudi authorities repress dissidents and human rights activists.

Human Freedom Index: 155 out of 165











Blood for Oil Index:

Iran

Iran has the largest gas reserves in the world but tapping that for European factories and households is wrapped up in a whole lot of politics as sanctions related to Iran's nuclear program block any legal shipments of oil or gas. Aside from the nuclear issue, Iran — led by supreme leader Ayatollah Ali Khamenei — continues to repress its people, with security agencies accused of serial human rights violations and Iran's forces deeply involved in the civil war in Syria.

Human Freedom Index: 160 of 165











Blood for Oil Index:

Egypt

Egypt's President Abdel Fattah el-Sisi spent Europe's recent sizzling heatwave in Berlin, agreeing to send yet more gas to Germany along with hydrogen as part of a cooperation deal. He was also in Paris to talk energy with Macron. Von der Leyen announced a deal in June to get more gas from Egypt and Israel to Europe.

But el-Sisi's authoritarian regime has big human rights problems.

"Tens of thousands of government critics, including journalists and human rights defenders, remain imprisoned on politically motivated charges," noted Human Rights Watch.

Human Freedom Index: 161 of 165









Blood for Oil Index:

Qatar

Qatar, ruled by Sheikh Tamim bin Hamad Al Thani, might be tiny but it has two big things going for it this year; football stadiums, given the winter's FIFA World Cup tournament — an event that's forced the country to try to clean up its long-standing problems with mistreating migrant workers — and sudden demand from Europe for its gas riches. Germany's Vice Chancellor Robert Habeck led the charge earlier this year, visiting Doha in March to seal a gas deal.

Human Freedom Index: 128 of 165









Blood for Oil Index:

Azerbaijan

Azerbaijan has long been talked up as an alternative energy lifeline, and the country is linked to the EU by the Trans-Anatolian Natural Gas Pipeline and the Trans Adriatic Pipeline.

On a trip to Baku earlier this month, von der Leyen signed a deal to raise deliveries by 50 percent to 12 billion cubic meters (bcm), then up to 20 bcm "in a few years."

But Azerbaijan has its problems. There's the 2020 war in Nagorno-Karabakh, which saw Azerbaijan defeat Armenia. Aliyev, the country's hereditary ruler, also has human rights issues. The country has come under fire for electoral fraud, curtailing press freedom and arresting and beating opposition activists.

Human Freedom Index: 127 of 165









Algeria

Draghi secured new gas supplies in Algeria after meeting President Abdelmadjid Tebboune. Under a deal finalized this month, Algeria's state energy company Sonatrach and Italy's Eni will develop an oil field and trade a further 9 bcm of gas by 2024. That will put Algeria above Russia as Italy's No. 1 gas supplier.

Algeria has its own reasons to play politics with gas as it supports Western Sahara's independence movement and is in a long-standing diplomatic stand-off with Morocco, which claims control of the territory. That's already led to Algeria scrapping a cooperation deal with Spain (which backs Morocco) and raises the specter of energy being used as leverage in an entirely different conflict. The government also has a bad record of repressing the political opposition and curtailing freedom of speech.

Human Freedom Index: 154 of 165







Blood for Oil Index:

United States

Uncle Sam has promised to help the EU with a flotilla of liquefied natural gas cargoes. But the U.S. won't be able to substantially cover Russia's gas share alone, so the White House has pledged to use its diplomatic clout to help get cargoes from other places into Europe.

While the U.S. is a robust democracy, there was a coup attempt on January 6, and who knows what direction the country will take by the next presidential election.

Human Freedom Index: 15 of 165





Blood for Oil Index:

Norway

Norway already has a long-standing role as a major supplier of fossil fuels to EU countries, accounting for close to a tenth of the bloc's oil imports and around a quarter of its gas supplies. A June <u>deal</u> between the EU and Oslo means extra Norwegian gas will flood into Europe.

While there's no doubt about Norway's democratic credentials, its climate bona fides are shakier — earning vast amounts from oil and gas sales, although it is pushing to green its own economy with everything from hydropower to electric cars.

Human Freedom Index: 13 of 165





The Netherlands

The Netherlands is a robust democracy and the EU's largest gas producer. But the vast Groningen gas field is set to be decommissioned in 2023 as it causes earthquakes. Still, there's an estimated 450 bcm left to draw on, but the Dutch government has already said tapping Groningen would be a "last resort." Let's see just how bad things really get.

Human Freedom Index: 11 of 165



