

# [Op-ed on the article: move over, opechere we come](https://assignbuster.com/op-ed-on-the-article-move-over-opechere-we-come/)

Op-Ed response to ‘ Move Over OPEC – Here We Come’ by Ed Morse: The Op-Ed article d Move Over, OPEC—Here We Come is compactly written with suitable supporting evidence. The author Ed Morse having had experience in both the government (former State Department Official) and the corporate world (presently holding high office in Citigroup) has the requisite credentials for foraying into the topic in question. And his command of statistics and analytic breadth further show his mastery of the subject. Mr. Morse offers several insights into the current state of the global oil and natural gas industry. He makes salient observations about the rising prowess of North America in the energy market, as the U. S., Canada and Mexico have ushered in a phase of increased extraction of energy resources. Key energy resources discussed by Mr. Morse are crude oil and natural gas, where new discoveries in off-shore and wilderness areas of the North American landscape throw open new opportunities for self-sufficiency for the highly energy dependent economies of this region. For example, the author notes
“ The economic consequences of this supply-and-demand revolution are potentially extraordinary. We estimate that the cumulative impact of new production and reduced consumption could increase real U. S. gross domestic product (GDP) by 2%-3. 3%, or by $370 billion-$624 billion, by 2020.” (Morse, 2012)
Hence there is no doubt that the article is well researched and factually accurate. But where criticism could be made is with regards to its narrow and jingoistic slant. In other words, it hardly shows concern for the environmental impact of fossil fuel usage as well as the broader geo-political tensions this trend could create. For example, Mr. Morse talks about the fortunes and prospects of North American market players without even a cursory mention of the dire environmental consequences fossil fuel usage could lead to. The copious literature on global warming and climate change raise caution and alarm on the catastrophic ecological impact of continued fossil fuel usage. In this context, the allusion made by Mr. Morse to bad domestic politics is highly insensitive to the concerns of broader humanity. For example, he writes
“ The only thing that can stop this is politics—environmentalists getting the upper hand over supply in the U. S., for instance; or First Nations impeding pipeline expansion in Canada; or Mexican production continuing to trip over the Mexican Constitution, impeding foreign investment or technology transfers—in North America itself.” (Morse, 2012)
In effect, Mr. Morse is suggesting that the upkeep of Mexican Constitution or the legitimate demands of the environmentalists are not important compared to bolstering economic progress. Despite the shocking BP/Macondo oil-exploration disaster of 2010 (which occurred off the Gulf of Mexico), the author carries on his cold and calculated analysis from a purely economic angle. He positively seems to perceive environmental regulation as policy constraint, even if it could potentially save the future of the planet:
“ Policies could obstruct the pace of supply growth. We already have the experience of the BP/Macondo disaster in the Gulf of Mexico in April 2010, which led to a moratorium on drilling in U. S. federal waters, and a revamping of the U. S. regulatory regime governing leasing, revenue collection and safety. As a consequence, U. S. deepwater production has fallen by more than 300, 000 barrels per day since then.” (Morse, 2012)
What is also conspicuous by its absence is any direct reference to Russia. Just as Alaskan and off-shore oil reserves have been a boon for the North American market, the great sprawling landscapes of Siberia have put Russia into a prominent position. While Mr. Morse talks about the equation between the United States and the Middle East, he doesn’t adequately factor in the prominence of Russia in global energy markets.
\*Hence, in conclusion, while the article by Ed Morse has its share of merits, it also carries deficiencies as illustrated above.
Reference:
Ed Morse, Move Over OPEC – Here We Come, retrieved from Wall Street Journal Online edition, retrieved from on 28th March, 2012