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## The Middle East Convulses, But Thanks To Shale America Hardly Notices

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The Middle East turned on its axis last week. Thanks in large part to the shale revolution, few Americans heard about it – and most did not care who did.

Last week, the governments of both Lebanon and Iraq resigned. Seemingly organically, large protests erupted in both countries cutting across the ethnic divide. In each case, the protesters demanded change to the static political environment.

Both Iraq and Lebanon contain large amounts of Sunni and Shia citizens (with Lebanon also having a large Christian population), but in both countries the protests were not just about political corruption, favoritism and ossification. They also were about the enormous influence of Iran. Through its proxy Hezbollah in Lebanon and through its control over many of the Shia militias as well as the economy of Iraq – where Iran supplies natural gas and electricity to Iraq’s outdated power grid – Iran remains the power behind the government in both countries.

Thus, the Mullahs in Tehran were rocked last week when, within three days, both Iraqi Prime Minister Adel Abdel Mahdi and Lebanese Prime Minister Saad Hariri resigned, unable to stem the demonstrations in either country. In Iraq, protestors targeted Iran directly, burning Iranian flags and shouting “Out, out Iran! Baghdad will stay free.” Iran was so alarmed that Qasem Soleimani, the head of the Iranian Revolutionary Guard Corps, flew to Baghdad and took over active control of the Iraqi government. Seemingly, he ordered a much more violent opposition to the protests. The same strategy was used in Lebanon, where after initially backing some of the demands of the demonstrators, Hezbollah-affiliated toughs began beating protestors midweek.

Iran has spent decades increasing its influence in the Arab world. Following President Obama’s retreat from Syrian involvement during the Arab Spring, and following President Trump’s virtual abandonment of the Kurds in Syria last month, Iran’s influence throughout the region has been at its apex.

Before the shale revolution, the idea that a vicious American enemy could consolidate such power in a region with so much oil and gas likely would have caused economic and political panic in the United States. Not this time. In fact, with impeachment and the Presidential election sucking up so much media oxygen, the events in Iraq and Lebanon didn’t even make most of the mainstream national news.

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For that we can thank shale gas and oil. As with the recent attacks on the Saudi oil facilities, the current disruption barely has registered in American oil and gas markets. Except in California, where gasoline is over \$4.00 a gallon, and New York, where prices at the pump remain stable but there is a deep undercurrent of angst over possible natural gas shortages this winter, Americans have seen almost no impact from the uncertainty in some of the world's most unstable, and economically sensitive regions.

Given the cost and time that Iran has spent in gaining such control, it is likely the Iranians will stop at nothing to retain their power in Lebanon and Iraq. Their ruthlessness is well documented. Nor is the Middle East the only place convulsing right now. It is very possible that within the next few months we will see potential armed standoff between the United States and Turkey – two NATO members – in Northern Syria; a bloodbath in Hong Kong over the unceasing protests against Beijing's heavy handed rule; and violent crackdowns in Lebanon and Iraq. As all of this transpires, President Trump's foreign policy is under deep scrutiny over not just his methods and decision making (as in Syria), but also his potential to use foreign aid possibly for personal gain (as in Ukraine).

Unlike in times past, the one constant in the changing international scene is the current availability and affordability of American energy. It is impossible to predict how any of this shakes out in both the near and long term, but regardless of the outcome it is the men and women helping make America the world's largest producer of oil and gas who may be making our lives a little safer during turbulent times.

#### **ATTORNEYS MENTIONED**

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