Geopolitics is the battle for space and power played out in a geographical setting. Just as there are military geopolitics, diplomatic geopolitics and economic geopolitics, there is also energy geopolitics. For natural resources and the trade routes that bring those resources to consumers is central to the study of geography. Every international order in early modern and modern history is based on an energy resource. Whereas the Age of Coal and Steam was the backdrop for the British Empire in the 18th and 19th centuries, the Age of Petroleum has been the backdrop for the American Empire from the end of the 19th to the early 21st centuries. And indeed, just after other countries and America's own elites were consigning the United States to a period of decline, news began to emerge of vast shale gas discoveries in a host of states, especially Texas. The Age of Natural Gas could make the United States the world's leading geopolitical power well into the new century.

Mohan Malik, a professor at the Asia-Pacific Center for Security Studies in Honolulu, has for years been studying the geopolitics of energy. He has drawn, in conceptual terms, a new world map dominated by a growing consumer market for energy in Asia and a growing market for production in the United States.

"Asia has become 'ground zero' for growth" as far as the consumption of energy is concerned, writes Malik. His research shows that over the next 20 years, 85 percent of the growth in energy consumption will come from the Indo-Pacific region. Already, at least a quarter of the world’s liquid hydrocarbons are consumed by China, India, Japan and South Korea.
According to the *World Energy Outlook*, published by the International Energy Agency, China will account for 40 percent of the growing consumption until 2025, after which India will emerge as "the biggest single source of increasing demand," in Malik’s words. The rate of energy consumption growth for India will increase to 132 percent; in China and Brazil demand will grow by 71 percent, and in Russia by 21 percent. Malik explains that the increase in demand for gas will overtake that for oil and coal combined. Part of the story here is that the Indo-Pacific region will become increasingly reliant on the Middle East for its oil: By 2030, 80 percent of China's oil will come from the Middle East, and 90 percent in the case of India. (Japan and South Korea remain 100 percent dependent on oil imports.) China's reliance on the Middle East will be buttressed by its concomitant and growing dependence on former Soviet Central Asia for energy.

While the Indo-Pacific region is becoming more energy dependent on the Middle East, in the other hemisphere the United States is emerging as a global energy producing giant in its own right. Malik reports that U.S. shale oil production will more than triple between 2010 and 2020. And were the United States to open up its Atlantic and Pacific coastlines to drilling, he says oil production in the United States and Canada could eventually equal the consumption in both countries. Already, within a decade, shale gas has risen from 2 percent to 37 percent of U.S. natural gas production. The United States has now overtaken Russia as the world's biggest natural gas producer. Some estimates put the United States as overtaking Saudi Arabia as the world’s largest oil producer by the end of the current decade, though this is unlikely.

Malik observes that this would mark a return to the pre-1973 Yom Kippur War period of American energy dominance. When combined with Canadian oil sands and Brazil's oil lying beneath salt beds, these shifts have the potential to make the Americas into the "new Middle East" of the 21st century, though we need to remember that U.S. oil production may be in decline after 2020.

At the same time, Russia is increasingly shifting its focus of energy exports to East Asia. China is on track to perhaps become Russia's biggest export market for oil before the end of the decade, even as Russian energy firms are now developing a closer relationship with Japan in order to hedge against their growing emphasis on China.

We are thus seeing before our eyes all energy routes leading to the Indo-Pacific region. The Middle East will be exporting more and more hydrocarbons there. Russia is exporting more and more hydrocarbons to the East Asian realm of the area. And North America will soon be looking more and more to the Indo-Pacific region to export its own energy, especially natural gas.
As the Indo-Pacific waters -- that is, the Greater Indian Ocean and the South China Sea -- become the world’s energy interstate, maritime tensions are rising in the South China Sea and in the adjacent East China Sea. The territorial tensions over which country owns what geographical feature in those waters is not only being driven by potential energy reserves and fish stocks in the vicinity, but also by the very fact that these sea lanes and choke points are of growing geopolitical importance because of the changing world energy market.

Europe, because of its aging population, will probably not grow in relative importance in world energy markets, while the Indo-Pacific region of course will. Though northeast Asia, like Europe, is home to aging populations, that is not the case -- or at least is less the case -- in the Indian Ocean world.

Economic importance often leads over time to cultural and political importance. Thus, the current tension between an economically and demographically stagnant European Union and a troubled, autocratic Russia -- energy rich, but less so in comparative terms going forward -- may actually expose the decline of Greater Europe, while North America and the Indian Ocean world become the new pulsating centers of commerce. At the same time, however, we may see, at least in the short term, an alliance of sorts between Russia and China, undergirded by a growing energy relationship, as these two massive Eurasian states come into conflict and competition with the democratic West.

Power in Eurasia would, therefore, move to more southerly latitudes, while the United States would have its own power reinvigorated by an even closer economic relationship with Canada and Mexico (which is also energy rich). The Europe-centric world of the past millennium may finally be passing as North America and the Greater Indian Ocean take center stage.