

# The Effect of a New Administration on the Global Energy Industry

Saul Rosen March 26, 2017



**Trump's energy policies will influence the shape of the energy industry, and effect how other oil-producing regions proceed.**

([Newswire.net](#) -- March 26, 2017) -- The inauguration ceremony always tends to represent the dawn of a new era and the chance for a newly anointed president to make their mark on history in the coming years, but this time around with Donald Trump being sworn in,

there is an even keener sense of anticipation as to what he is going to do.

It is also a point in time where industries consider whether the policies and politics of the new president will prove to be good or bad news for them, and that is very much the case when it comes to working out the impact his presidency will have on the global energy industry.

Here is a look at what the immediate future might hold for the global energy industry. There is an overview of some of Trump's energy policies, how shale is influencing the shape of the energy industry, and how other oil-producing regions might be affected.

## Support for shale

It is quickly being discovered that Trump is a president who seems to be committed to following through on virtually all of his campaign promises, however outlandish they were perceived to be in the public eye.

It is, therefore, no surprise to learn that within barely an hour of his term in office passing he was keen to publish [An America First Energy Plan](#) on the official White House website.

The document confirmed that president Trump was "committed to eliminating harmful and unnecessary policies such as the Climate Action Plan", and was seemingly keen to embrace the shale oil and gas revolution.

Shale is the success story of the oil and gas industry as you can read when you visit [oilandenergyinvestor.com](#) and read some of the in-depth articles on the subject.

Climate change supporters will no doubt be disillusioned with the stance taken by Trump already which clearly focuses on shale production as well as using domestic fossil fuels in favor over foreign oil imports.

## Reshaping the industry in the states and beyond

Some critics of Trump's style claim that he can be unpredictable and it is not always that easy to read what he is going to say or do next, but the [billionaire businessman](#) is taking his commercial brain and applying it to politics, which means plenty of action as well as words, even if you can't always predict what that is going to be.

The general view when it comes to what the Trump administration intend to do with the oil and gas industry and energy, in general, is that their initial policies and statements are all highly likely to reshape U.S energy and climate policy in a fairly radical way.

Although it is never easy to be too dogmatic when you consider the unpredictable nature of the presidency even at this early stage, it would seem that the intention is to develop a truly hybrid approach to their energy and climate policies.

This means that they are likely to pursue policies and regulations that are protectionist and populist in nature and make decisions that are primarily pro-business and adopt an anti-regulatory stance.

## Making more use of shale resources

As already stated, the oil and gas industry has enjoyed an upswing in fortunes thanks to the increasing development of shale resources and it is hard not to reach the conclusion from statements made by the Trump administration so far,

that they are keen to expand on the development program.

The shale industry is understandably keen to extol the virtues of energy resources that are helping to generate plenty of new jobs and boosting the nation's economic outlook at the same time.

It is also worth pointing out that the natural gas industry is almost certain to benefit from a climate of deregulation that Trump is trying to push through, despite the fact, there are plenty of detractors who consider this will be a bad move for the global climate.

### **Export and import factors**

The Gulf Cooperation Council (GCC) which was formed to represent the mutual interests of the oil producing Arab States of the Gulf have an advantage when it comes to the price that they can produce crude oil at compared to the United States.

Factor in Saudi ownership of significant U.S refining capacity and you can reasonably conclude that no matter how radical Trump's policies are, they are not likely to significantly impact on the amount of oil imported into the U.S from the Gulf region.

However, it is likely that U.S exports of natural gas are likely to increase as a result of the new president's policies.

The overall conclusion would seem to be that the global energy industry is likely to undergo some significant changes under Trump, but certain supply aspects are not going to overly affected.

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