

The Politics of Energy

LOYOLA UNIVERSITY CHICAGO
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TTH, 13:00-14:15
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T TH 14:30-16:00
or by appointment

I. Description

The struggle for the control of energy sources has been central to international politics since the early 20th century. The politics of energy involve wars, coups, assassinations, fall of governments, economic crises, environmental disasters and corrupt governance as well as unprecedented power, sustainable growth, technological innovation and social welfare. This course provides a comprehensive introduction to the contemporary politics of energy by discussing the causes, dynamics and implications of the global quest for energy. It especially focuses on the dynamics of oil politics and offers an introduction to the intricate and often misunderstood world of oil. For that purpose, strategic interests based on access to oil, big oil corporations, international cartels, the economics of the oil market, environmental risks, and policies to generate alternative sources of energy are covered at some length. Some of the questions covered in the course are: why is oil so central to international politics? What factors do cause wild fluctuations in oil prices? How viable are alternative energy sources? Does greater energy consumption inevitably lead to irreversible environmental costs? What are the prospects for energy scarcity?

The course is interdisciplinary by its very nature and incorporates fields of political science, economics, environmental studies and sociology. While the course has no technical requirements, basic knowledge of economics will be helpful to understand key concepts and relationships. Three primary goals of the course are: 1) demonstrating students the centrality of energy to modern life, 2) providing them with analytical tools and knowledge that will be useful in comprehending the complex dynamics of energy politics and 3) making it easier for them to follow current developments and news energy.

II. Requirements

Grades will be based on quizzes, a mid-term exam, a research draft, a research paper and participation. The percent distribution of the final grade is as follows:

- Four in-class quizzes, each counting for 10 percent of the total grade: 40 percent
- A mid-term exam (on **April 3rd**): 15 percent
- Draft and bibliography for the research paper (due in class on **April 1st**): 5 percent
- Research paper written on one of the assigned topics (due in class on **April 22nd**): 30 percent
- Participation grade which includes attendance and active contribution in class discussions: 10 percent

I may offer within class extra-credit opportunities throughout the semester.

Quizzes and Exam:

Quizzes are mostly made of multiple-choice and fill-in-the-blank type questions. The quiz dates are **February 5th**, **February 26th**, **March 25th**, and **April 24th**.

A mid-term exam will take place on March 11 following the break. The exam will include short essays.

Students who miss quizzes are given make-ups only if they are able to document their reason for absence **with proper documentation**. Make-ups are given only within four days of the original quiz date. Students who miss more than one quiz will automatically receive **an F for the class**.

Writing Assignments:

Due dates are absolutely non-negotiable. No *force majeure* clauses are applicable. Students who fail to submit review paper, research draft, or research paper on time will automatically receive **an F for the class**.

All writing assignments should be double-spaced and use a **font size of 12**.

Detailed information about the assignments can be found in the end of this syllabus.

III. Academic Honesty

Loyola's College of Arts and Sciences defines plagiarism as "appropriation of ideas, language, work, or intellectual property of another, either by intent or by negligence, without sufficient public acknowledgement and appropriate citation that the material is not one's own." A detailed description of what is meant by academic integrity is also

found in that catalog. For more information and student responsibilities, see http://www.luc.edu/cas/pdfs/CAS_Academic_Integrity_Statement_December_07.pdf
All acts of academic dishonesty including plagiarism, cheating, submitting false documents, and copying another student's work will be penalized by **an F for the course** without any exception and leniency.

IV. Assigned Material

The following four books are required readings in this class and they are available at Loyola's bookstore.

- Toyin Falola and Ann Genova, *The Politics of Global Oil Industry*, Praeger, 2005.
- Francisco Parra, *Oil Politics: A Modern History of Petroleum*, I. B. Tauris, 2004.
- Vaclav Smil, *Energy at the Crossroads*, MIT Press, 2003.

We will also watch sections of two documentaries throughout the semester.

- *The Prize: The Epic Quest for Oil, Money and Power*, Public Media Video, 1992.
- *A Crude Awakening - The Oil Crash*, Docurama, 2004.

V. An Overview of the Course

1. Energy and Its Importance for Human Development
 - a. Evolution of Energy Patterns
 - b. Economics of Energy
2. The World of Oil
 - a. History of Oil
 - b. Implications of Oil-Civilization
 - i. Democracy
 - ii. Prosperity
 - iii. Conflict
 - iv. Environment
3. The future of Energy and Alternative Sources

Week I (January 15-17)

- A high-energy civilization: Dynamics of energy demand and supply
Smil, Chapter 1

Week II (January 22-24)

- Economics of Energy
Smil, 63-97

Parra, Chapter 16
Falola and Genova, Chapter 1

Week III (January 29-31)

- The World of Oil and its Development
Parra, Chapters 1-4
Falola and Genova, Chapter 2-3

Week IV (February 5-7)

- The Formation and Rise of OPEC
Parra, Chapters 5-8
Falola and Genova, 62-70

1st Quiz on February 5

Week V (February 12-14)

- Oil Shocks, Backlash and New Oil Market
Parra, Chapters 9-15
Falola and Genova, 70-82

Week VI (February 19-21)

- Oil and Democracy
Falola and Genova, Chapters 7, 10, 12, and 14-16
Benjamin Smith, "Oil Wealth and Regime Survival in the Developing World, 1960-1999" *American Journal of Political Science* 48 (April 2004): 232-246.
(BLACKBOARD)

Week VII (February 26-28)

- Oil and Prosperity
Smil, 97-105
Falola and Genova, Chapters, 8, 11, and 13
Terry Lynn Karl, "Oil-Led Development: Social, Political and Economic Consequences," *CDDRL Working Papers* (January 2007). (BLACKBOARD)

2nd Quiz on February 28

Week VIII (March 11-13)

- Energy Wars?
Smil, 116-120

Parra, Chapter 15 and Epilogue
Falola and Genova, Chapter 5

Week IX (March 18-20)

- Oil and Environment
Smil, pp. 105-116
Falola and Genova, Chapter 6
A Crude Awakening - The Oil Crash

Week X (March 25-27)

- Forecasting Energy Patterns?
Smil, Chapter 3

3rd Quiz on March 25th

Week XI (April 1-3)

- Professor Tezcür is overseas for a Loyola sponsored conference.
The Prize: The Epic Quest for Oil, Money and Power

Mid-term Exam on April 1st

Week XII (April 8-10)

- A World without Energy as We Know It?
Smil, Chapter 4
Falola and Genova, Chapter 9

Week XIII (April 15-17)

- Alternative Sources of Energy
Smil, Chapter 5

Week XIV (April 22-24)

- Prospects of Energy
Smil, Chapter 6

Research Paper due April 22 and 4th Quiz on April 24

VI. Research Project Guidelines

An important part of this course is writing a term paper on a subject that arouses your intellectual curiosity. The paper project aims to sharpen your analytical thinking skills and improve your research and writing abilities. It has two components:

Outline & Bibliography

The outline should clearly state the focus of your interest, briefly discuss different approaches to the topic, and summarize how you plan to build your argument. The draft should be around **two double spaced** pages. The bibliography should reflect substantial research both in quantity and quality. Bibliographies that cite less than **ten scholarly works** are considered very weak.

Paper

Papers should not be less than **ten double spaced** and not more than **twelve double spaced** pages. Each paper should have a separate bibliography section. Papers should be submitted in hard copies during class hours on due date. Electronic submissions are not accepted. Papers are evaluated according to several criteria: a) the quality and scope of research, b) the quality of writing and organization, c) the accuracy of knowledge, d) the ability to engage with different arguments, and e) the coherence and consistency of the main argument. As a rule, students should rely on sources that can legitimately claim some expertise on the topic. Such sources usually include scholarly writings, well-established media outlets and organizations that disseminate information (e.g. IOs, NGOs, corporations, etc.). Students should give priority to locating scholarly articles and books pertinent to their topic (this means using the printed and electronic sources provided by library). Scholars and analysts often tend to disagree. A good paper discusses all relevant arguments and evaluates their strengths and weaknesses in a fair manner. Unreliable websites with dubious credibility should not be treated as authoritative sources; especially on controversial issues. For instance, you should be able to write a Wikipedia entry on the subject based on your research rather relying on Wikipedia for your research).

Topics

You should choose one of the following topics as the focus of your research. The topics are broad and flexible enough to allow you use your imagination when deciding on the paper's focus.

A. Fluctuations in Oil Prices

Fluctuations in oil prices have huge consequences on the well being of states and the stability of international order. Yet, the dynamics through which oil prices are set remain mostly a mystery to ordinary citizens. Write an article that investigates the factors affecting oil prices with a focus on a specific time period such as the 1973 oil shock,

collapse of prices in the second half of the 1980s, or steadily increasing prices since the US invasion of Iraq in 2003. In particular, investigate the effects of changes in supply and demand and shifts of power among major actors in oil business on oil prices.

B. The US foreign policy and Oil

For some observers, the quest for secure and cheap energy resources has been the main driving of the US foreign policy especially in the Middle East. For others, explaining US foreign policy choices as an outcome of desire for oil often amounts to no more than a half-baked conspiracy theory. Choose an episode from the recent history that involves both US involvement and plenty of oil. Examples include but are not restricted to the US-Iraq Wars in 1991 and 2003, failed coup against Chaves in 2002 and restoration of the Iran Shah to its throne in 2003. Explore and discuss how oil politics affected US policies.

C. Nuclear Energy and its Discontents

Especially after the oil crises in the 1970s, nuclear energy gained popularity. Nonetheless, the development of nuclear energy has stagnated for various reasons since then. Most recently, Iran's quest for nuclear energy has intensified fears of a fierce armed conflict in the Middle East. The conflict is far from being settled. Write an article that either focuses on promises and setbacks of nuclear energy or Iran's nuclear program. If you choose the first topic, try to explain why nuclear energy remains controversial and what factors do affect its growth and decline. If you are more interested in the second topic, discuss how Iran's nuclear aspirations cause so much concern. Given the complexity and sensitivity of the topics, aim to give a fair account of all sides before taking a position.

D. Environment and Energy

One of the most controversial aspects of growing energy consumption is the harm it does to the environment. While new regulations and greater energy efficiency and conservation reduce pernicious effects of energy consumption especially in the developed world, concerns with global warming, air, land and water pollution and destruction of biodiversity remain acute. Attempts in international cooperation have varying degrees of success (i.e. 1997 Kyoto agreement being one of the most famous of these attempts). Select one of the environmental issues associated with increasing energy consumption or waste. Write a paper that discusses the extent and scope of environmental damage, the effectiveness of protective and regulative measures and the viability of alternative sources of energy.