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Review Essay 83

Jeff D. Colgan, *Partial Hegemony. Oil Politics and International Order* (Oxford: Oxford University Press, 2021).

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Jeff Colgan is a political scientist with an expertise in international oil politics and oil-related conflicts.¹ Colgan's *Partial Hegemony* deals cleverly with oil and climate change, working to conceptualize and systematize these two issues by using the analytical category of “subsystems.” Subsystems are managed by different actors (both states and private entities), and are enforced through punishments for non-compliers, while compliers are rewarded with strategic or other kinds of benefits.

According to Colgan, before and after the “oil shock” of 1973, international oil generated two distinct subsystems. Up the 1970s, the international oil companies (an oligopoly defined by the Italian oil tycoon Enrico Mattei as “the Seven Sisters”) controlled price formation by threatening boycotts, while the US, the world's leading military power, and Britain, an imperial power that had been declining since the end of World War Two, could punish non compliers with direct intervention as they did in Iran in 1953, punishing Prime Minister Mohammad Mossadegh for the oil nationalization of 1951. After the 1970s, Big Oil was unable to set oil prices and production levels anymore due to the increasing role of the Organization of the Petroleum Exporting Countries (OPEC), whose members had successfully nationalized their oil industries. At the same time, the governance subsystem was secured through “oil for security deals” (122-123), especially with Gulf monarchies. Colgan argues that “many of the same states and individuals involved in OPEC's decision to *upend* the prevailing international order decided, in the case of oil-for-security deals, to *preserve* the prevailing order” (34). Basically, he posits that the US passed from near total hegemony of the oil subsystem up to 1973, to “partial hegemony” after the 1970s when OPEC countries started having a greater say over the oil market.

Colgan's book reveals a detailed knowledge of the history of oil up the 1970s, but the conceptualization of nearly a century of international oil politics and diplomacy is as clean as it is problematic. For example, Colgan states that after the 1970s OPEC's claim to control oil production can be classified as a “rational myth” or “fiction” (44). It is certainly true that cheating abounded once OPEC started fixing production quotas in the 1980s. But equally true is that OPEC+, a new partnership between OPEC and non-OPEC countries that started in 2016 and relies on the cooperation between Saudi Arabia and Russia, responded to the COVID-induced recession of 2020 with production cuts that, while eventually adapted, endure to this day, contributing to set the current (high) oil price level. If OPEC production control is just “fiction,” it is one with significant material impact.²

¹ Jeff D. Colgan, *Petro-Aggression. When Oil Causes War* (Cambridge: Cambridge University Press, 2013).

² On the beginning of Saudi-Russian cooperation: see Abraham Almuhanna, *Oil Leaders. An Insider's Account of Four Decades of Saudi Arabia and OPEC's Global Energy Policy* (New York: Columbia University Press, 2022), Chapt.10.

At the same time, the claim that “oil for security deals” have been a dominant governance method for the post-1970s oil subsystem in the Gulf has its own weaknesses. Saudi Arabia and Russia, hardly a US ally, have engaged in an increasingly tight relations. Saudi Arabia will join the anti-Western economic group called BRICS in 2024 and has deepened its economic cooperation with China, including the acceptance of Chinese currency as payment for some of its oil exports.³ Just as not every OPEC country has engaged in security deals with the US, as Colgan mentions, Iraq, Iran and Libya are not the only countries to have refused such deals (123). The list should include at least Algeria and Venezuela.

Another subsystem examined by Colgan is the one that tries to explain “climate change” (chap. 7). This subsystem involves the following key parameters: Green House Gas (GHG) emissions; how to deal with capital assets; the development of Carbon Capture and Storage (CCS) technologies; and Border Adjustment Taxes (BATs) restrictions. Here Colgan speculates about the possible advent of a new international “climate club,” whose key members would be the EU, the US, and China, that could punish non-participants with trade restrictions, while helping compliers by encouraging trade and the harmonizing regulations. This climate club could shape a new “liberal order” that has been recently jeopardized by the likes of China and Russia (221).

I am not a climate change diplomacy expert, but my feeling is that climate change diplomacy involves (or should involve) many issues that are not addressed here. The focus on GHG emission targets or CCS, without taking into account access to cheap energy, the distribution of resource rents and stable prices for energy resources, access to technology, has been one of the enduring limits of climate diplomacy since its very beginning in the 1970s.⁴

Colgan’s general claim that “a new international order” can revive the old liberal order endangered by Russia and China could be turned on itself. The “neoliberal order” that began in the 1980s was characterized by US (and to a certain extent EU) unilateralism and lack of concern for multilateral institutions, as was vividly demonstrated by the military interventions in Afghanistan, Iraq or Libya that were not backed by the United Nations.⁵ If a potential EU-US-China climate club were formed, something I would discourage if it simply meant disciplining oil producers or GHG emission cap non-compliers in the Global South, it would reflect many of China’s preferences. It would thus be based on the scaling down of Bretton Woods institutions, neutrality to political regimes, a lack of concern for human rights violations, and heavy state interventionism in the economy.

To sum up, Colgan’s book is stimulating, and the concepts of partial hegemony and of subsystems are a step forward in the scholarly effort to provincialize the West in the history of oil. But I would have stressed much more the extent to which the West has become partially hegemonic in crucial aspects of global economic governance such as energy, while it has also fallen behind in its effort to retain military supremacy all the way from the Persian Gulf, to Sub-Saharan Africa, to the European continent itself.

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³ On the vagaries of the US-Saudi “alliance” two complementary views that highlight its enduring tensions and contradictions are: Victor McFarland, *Oil Powers. A History of US-Saudi Alliance* (New York: Columbia University Press, 2020) and Robert Vitalis. *Oilcraft. The Myths of Scarcity and Security that Haunt US Energy Policy* (Stanford: Stanford University Press, 2020).

⁴ A good review of the different challenges facing the “energy transition” can be found in: Thijs Van De Graaf and Benjamin K. Sovacool, *Global Energy Politics* (Cambridge Polity Press, 2022).

⁵ I rely on Gary Gerstle’s periodization on the rise of a “neoliberal order”: Gary Gerstle, *The Rise and Fall of the Neoliberal Order. America and the World in the Free Market Era* (New York: Oxford University Press, 2022).