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Giuliano Garavini. ***The Rise and Fall of OPEC in the Twentieth Century.*** Oxford: Oxford University Press, 2019. ISBN: 9780198832836 (hardback, £31.99).

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Contents

Introduction by Robert Vitalis, University of Pennsylvania

It is a great pleasure to launch the roundtable on Giuliano Garavini's game-changing *Rise and Fall of OPEC*. 2020 marks the sixtieth anniversary of the organization's founding. The reviewers—a mix of veteran analysts and next-generation thinkers—all agree on the book's importance. Garavini is the first academic historian to tackle the topic. He has uncovered new archival sources, which he has now deposited with NYU's portal campus in Abu Dhabi, where he did much of the research and writing. Read carefully, the book will inoculate you against the many widespread, factitious beliefs that continue to circulate about the Organization of Petroleum Exporting Countries (OPEC). To wit, as Georgetown's David Painter, who is this country's leading historian of oil and US foreign policy, notes in his review, OPEC never embargoed the United States and never reduced oil supplies to anyone in 1973.

Garavini does much more than simply set the record straight. He reorients our view of the international organization away from the overblown and exaggerated accounts of oil-weapon-wielding-sovereigns holding the West hostage. Instead, he joins a growing group of scholars who are interested in the Non-Aligned Movement, the UN Conference on Trade and Development, and the politics of the mid-1970s North South Dialogue and would-be New International Economic Order.[1] One of the most significant aspects of the book is Garavini's patient reconstruction of the ideas of OPEC's leading technocrats and their efforts to promote the conservation of a waning resource. The forerunners of today's campaigns by indigenous activists to challenge ideologies of "extractivism" (and instead keep fossil fuels "in the ground") included, counterintuitively, "Gulf sheiks, Persian Shahs and exotic democratic politicians in the Caribbean."[2] Likewise, Garavini argues that OPEC is important to any future efforts to tackle the threat of climate change.

Divided reactions to this bold revisionist interpretation are to be expected. Gregory Brew considers the conservationism of OPEC leaders to be a kind of strategic rationale for sovereigns such as the Shah of Iran, who was bent on maximizing short-term profits. Michael Dobson agrees with and further develops the logic of OPEC as an "ecological force."[3] Giacomo Luciani, believes that there is little reason to question the conclusions he had already come to about the divisions among developing countries that doomed the NIEO, and notes that his doubts about the prospects for meaningful collective action to tackle climate change have increased. The "Non-Aligned Movement definitely belongs to a distant past," he insists, metaphorically I presume, since the 120-country organization continues to exist, with headquarters in New York, and currently under the chairmanship of Azerbaijan.

David Painter underscores the significance of Garavini's work in particular for those today whose worldviews reflexively mirror OPEC's various mid-1970s and 1980s antagonists—the western oil companies, consumers, and Nixon, Ford, Carter, and Reagan administrations. He praises the author's ambition, skill set, prodigious archival work, and command of the materials. Yet, like Brew, he fears that Garavini grants too much significance to a few key OPEC technocrats and not enough to the autocrats and their insatiable revenue demands that undermined the organization's ability to act cohesively.

[1] Including Vijay Prashad, The Poorer Nations: A Possible History of the Global South (London: Verso, 2012), Christopher Dietrich, Oil Revolution: Anticolonial Elites, Sovereign Rights, and the Economic Culture of Decolonization (Cambridge: Cambridge University Press, 2017); Adom Getachew, Worldmaking after Empire: The Rise and Fall of Self-Determination (Princeton: Princeton University Press, 2019); Lorenz M. Lüthi, Cold Wars: Asia, the Middle East, Europe (Cambridge: Cambridge University Press, 2020); and Michael Edward Franczak, The North South Dialogue: Global Inequality and American Foreign Policy in the 1970s (Ithaca: Cornell University Press, forthcoming). Interested readers should also search the journal Humanity, which has encouraged this turn to reexamining the NIEO and kindred institutions.

[2] Garavini, Rise and Fall of OPEC, p. 9; on indigenous campaigns against "extractivism," see, for instance, Thea Riofrancos, Resource Radicals: From Petro-Nationalism to Post Extractivism in Ecuador (Durham: Duke University Press, 2020)

[3] See, as well, Michael Dobson, "Revisiting OPEC's Democratic Roots in the Age of Climate Emergency," E-International Relations, 17 January 2020, https://www.e-ir.info/2020/01/17/revisiting-opecs-democratic-roots-in-the-age-of-climate-emergency/.

Ellen Wald argues that *The Rise and Fall of OPEC* "is not your typical oil book," not least for its revelations about the conservationist policies promoted by the organization's technocrats. She also argues that Garavini "builds on" the work of political scientist Jeff Colgan, whose statistical analyses led him to doubt that OPEC has ever had the ability to fix oil prices. Garavini knows the argument, although Colgan's book isn't in the bibliography, *Rise and Fall of OPEC* is in essence a book-length challenge to Colgan's dismissive view of the organization and its importance.

Participants:

Giuliano Garavini teaches International History at Roma Tre University in Rome. He has mainly written about European integration, decolonization and the Global South, the history of energy and natural resources. He is the author, among other works, of *After Empires. European Integration, Decolonization and the Challenge from the Global South, 1957-1986* (Oxford University Press, 2012) and co-editor of *Oil Shock. The 1973 Crisis and its Economic Legacy* (IB Tauris, 2017), and *Counter-Shock. The Oil Counter-Revolution of the 1980s* (IB Tauris, 2019).

Robert Vitalis, a professor of political science, is the author of *When Capitalists Collide: Business Conflict and the End of Empire in Egypt* (1995), *America's Kingdom: Mythmaking on the Saudi Oil Frontier* (2005), *White World Order, Black Power Politics: The Birth of American International Relations* (2015), and *Oilcraft: The Myths of Scarcity and Security that Haunt US Energy Policy* (2020). He is currently researching the rise of the militant right in US national security studies.

Gregory Brew is a post-doctoral fellow at the Center for Presidential History at Southern Methodist University. He completed his doctorate in History at Georgetown University in 2018. His work explores the political economy of international energy, modern Iran, and U.S. foreign relations in the Middle East. He is currently completing a book manuscript on the origins of the U.S. alliance with the Pahlavi "petro-state" and the development movement in Iran during the Cold War. He has published articles in Texas National Security Review, International History Review and Iranian Studies.

Michael Dobson is a PhD candidate in Global Politics at the New School for Social Research, where he is focused on the international legal history of trade in strategic commodities. He is a former lawyer and was a legal advisor on the delegation of a small island developing state during the negotiation of the Paris Climate Agreement. He has written most recently on the democratic roots of OPEC in *E-International Relations*, https://www.e-ir.info/2020/01/17/revisiting-opecs-democratic-roots-in-the-age-of-climate-emergency/, and on the OPEC+ deal of April 2020 in *Climate Home News*, https://www.climatechangenews.com/2020/04/15/climate-advocates-welcome-historic-opec-deal/.

Giacomo Luciani teaches at the Paris School of International Affairs, Sciences Po, and at the Graduate Institute of International and Development Studies in Geneva. In 2010-2013 he was Princeton Global Scholar at the Woodrow Wilson School of Public and International Affairs and the Department of Near Eastern Studies. His work has focused on the political economy of MENA. With Hazem Beblawi, he edited a book on *The Rentier State* (Routledge Kegan & Paul, 1987), which is frequently cited as one of the origins of the concept. His latest edited book, *Combining Economic and Political Development* (Brill, 2017), discusses economic policies to support democratic transitions.

David S. Painter teaches international history at Georgetown University. His publications include *Oil and the American Century: The Political Economy of U.S. Foreign Oil Policy, 1941-1954*; *The Cold War: An International History*; and *Origins of the Cold War: An International History* (co-edited with Melvyn P. Leffler); and articles on U.S. policy toward the Third World, U.S. oil policies, and the Cold War. His current projects include a study of oil and world power in the twentieth century and an analysis of the 1951-54 Iranian oil crisis.

Ellen R. Wald, Ph.D. is a historian, policy expert, and business consultant. She is the author of *Saudi, Inc.: The Arabian Kingdom's Pursuit of Profit and Power* (Pegasus, 2018). She writes a weekly column on geopolitics and the energy markets at investing.com, which is translated into multiple languages, and a weekly column at Forbes online which addresses topics in energy for a broader audience. She has also provided frequent analysis for *Bloomberg*, the *New York Times*, the *Washington Post*, *Modern Trader* magazine, and history and policy journals. She is the president of Transversal Consulting and a non-resident senior fellow at the Atlantic Council's Global Energy Center and has held academic appointments at the University of Georgia, the American Heritage Center at the University of Wyoming, Boston University, and University of Cambridge.

Review by Gregory Brew, Southern Methodist University

"There has been, always and everywhere, an overwhelming tendency towards concentration, integration and cartelization in the petroleum industry," observed oil economist Paul Frankel in 1946.[4] Though Frankel was commenting on private oil companies, the label of 'oil cartel' is often affixed to the Organization of the Petroleum Exporting Countries (OPEC), the union of oil producers founded in 1960. Yet while Rockefeller's Standard Oil trust and its successors, the 'Seven Sisters,' were motivated by a desire to maximize profits, OPEC had different goals in mind.[5]

According to historian Giuliano Garavini, OPEC comprised of "sovereign landlords" (6) for whom oil represented a vital economic lifeline. Maximizing oil's value coexisted with a separate set of priorities, including nationalist desires to wrest control from private corporations, ecological concerns linked to conserving oil reserves, and a preoccupation with political questions, both locally and globally, which were entwined within the struggle pitting the Global South against the industrialized West.

As Garavini notes in his introduction, most oil histories balance condemnations of rentierism and invocations of the "resource curse" (2-3) with triumphant paeans to the ingenuity of oil capital. The lived experience of 'petro-nationalists,' figures in the Global South who led the charge through OPEC to end private capital's domination of fossil fuels in the twentieth century, is often missing from such accounts. Newer scholarship from Christopher Dietrich, Robert Vitalis, Nelida Fuccaro and Timothy Mitchell has gone some way towards resolving this imbalance.[6] What is lacking, however, are works emphasizing oil's international nature, and the ways in which transnational links formed among oil producers that shared few similarities in culture, language, or geography. Garavini's book is more than a history of OPEC, "one of the most recognizable acronyms in the world" (9). It aspires to be a global history of oil's role in shaping the twentieth century.

Garavini lays out three objectives. First, he examines trilateral links between the "sovereign landlords" of OPEC, the international oil companies, and the consuming countries within the OECD. Tracking the exploitation of oil in the Global South from the concessionary days of the 1920s, through the rise of petro-nationalism, the oil shocks of the 1970s and the neoliberal transformations of the 1980s and 1990s, "speaks volumes about some of the key political and economic conflicts of the Twentieth Century," complicating an existing narrative, "that still overwhelmingly focuses either on the Cold War and on Great Power Politics" (7).

Next, Garavini connects the history of OPEC with the "struggle for state sovereignty over natural resources" (8) that typified transnational relations in the Global South. Venezuela and Saudi Arabia were two very different nation-states separated by thousands of miles, a wide language barrier, and unique historical experience. Yet the possession of large oil reserves and the dependence formed through oil exports forged links between Riyadh, Caracas, Jakarta, Tehran, and a host of other oil capitals. While domestic agendas differed, OPEC's uniting force was an interest in freeing global oil from the

[4] Paul Frankel, "Essentials of Petroleum: A Key to Oil Economics," in Paul Frankel: Common Carrier of Common Sense: A Selection of His Writings, 1946-1988, ed. Ian Skeet (New York: Oxford University Press, 1989), 63.

[5] For literature on the major oil companies, see Anthony Sampson, The Seven Sisters: The Great Oil Companies and the World They Shaped (New York: Hodder and Stoughton, 1975), Daniel Yergin, The Prize: the Epic Quest for Oil, Money and Power (New York: Simon and Schuster, 1991).

[6] Timothy Mitchell, Carbon Democracy: Political Power in the Age of Oil (New York: Verso, 2011), Christopher Dietrich, Oil Revolution: Anticolonial Elites, Sovereign Rights and the Economic Culture of Decolonization (New York: Cambridge University Press, 2017), Nelida Fuccaro ed. Violence and the City in the Modern Middle East (Stanford: Stanford University Press, 2016), Robert Vitalis, America's Kingdom: Mythmaking on the Saudi Oil Frontier (New York: Verso, 2009).

grip of Western capital and Western political influence, guaranteeing that oil producers and their brethren elsewhere in the resource-rich Global South enjoyed the spoils of oil's abundant wealth before reserves were drained away.

This leads to Garavini's final, and perhaps most ambitious argument: OPEC as a vehicle for driving and shaping an environmental discourse around oil production and consumption within the broader fossil fuel economy. As oil consumption rose at a meteoric pace—fed by the rapid exploitation of OPEC's oil resources—elites in the oil-producing world refused to consider oil as "just another commodity," instead focusing on its nature as a wasting asset, a finite substance that left an indelible ecological impact and would have to be used conscientiously lest future generations be deprived of its full bounty (8-9).

With such targets in sight, it is natural that Garavini's book maintains a scope which is frequently wide, if not epic, in its chronological and geographic sweep. In early chapters, he uses the example of Venezuela to explore the arc of most oil producers, which proceeded through stages of quasi-colonial exploitation facilitated by local despots, emerging movements of petro-nationalism often allied with merchant networks or labor movements, into periods of negotiation where the power of Western oil capital was steadily diminished through the assertive application of local sovereignty, assisted in some respects by changing geopolitical circumstances (i.e. the Cold War) and oil's rising prominence as a source of energy.

Apart from Venezuela, OPEC's other founding members—Iran, Iraq, Saudi Arabia, and Kuwait—receive considerable attention within Garavini's narrative, as do Libya, Indonesia, Nigeria, and the Arab sheikhdoms of the Persian Gulf. Chapter sub-sections help to keep each nation's particular trajectory clear, while Garavini precedes periods of important change with long expository passages detailing each nation's particular internal circumstances, thus making the motivations of their leaders during times of crisis more understandable.

Garavini draws on an impressive array of primary and secondary sources, synthesizing archives in Western Europe and the United States with interviews and memoirs drawn from OPEC's leaders. More important, however, is Garavini's utilization of the OPEC Annual Meeting minutes. These documents, which Garavini has compiled into an archive that is available at the New York University of Abu Dhabi (NYUAD), provide the opportunity to tell the history of OPEC from internal sources.

From these commanding heights, Garavini's book at times provides bracingly intimate details. The author relates personal anecdotes in between the actions of his broad and colorful cast of characters. Among them are some of the best-known figures in the history of the oil industry, including OPEC founders Abdullah Tariki of Saudi Arabia and Juan Pablo Perez Alfonso of Venezuela. Using the microscope of the OPEC annual meeting minutes, Garavini peers directly into the group's fraught internal dynamics, which were often opaque to contemporary observers and subject to considerable speculation by scholars. Little-known episodes such as the royalty expensing negotiations in 1962-1965, the Doha 'split' of 1976, and the 'counter-shock' of 1985-1986 yield to Garavini's scrutiny, revealing the disparate interests of OPEC's constituent members. In detailing how OPEC rose to power, Garavini illustrates how often the group threatened to fall apart.

Throughout the narrative, Garavini debunks popular conspiracy theories. He avoids the flights-of-fancy that occasionally affect other studies which find the urge to draw unproven connections between "Big Oil," Secretary of State Henry Kissinger and the Shah of Iran too tempting to pass up. Where he cannot draw clear conclusions based on existing sources—the meeting minutes are often incomplete, while no record exists of closed meetings—Garavini provides analysis that is clear, concise, and comprehensive.

Garavini's attention to the international politics of oil draws on a complex understanding of how energy, ideology, economics, and geopolitics intersected. The "oil revolution" of the early 1970s was not simply due to changing supply-demand balance. The political shifts within the Arab world, the Israeli victory in 1967 and the Iraqi, Algerian, and Libyan revolutions of the 1960s had a profound effect on OPEC's personality, compelling moderates like Saudi Arabia to push for more aggressive action, while opening up opportunities for 'production hawks' like the Shah. The group's growing militancy became an advantage during the 1970s, when demands from OPEC members produced a shift in the balance of power, depriving the oil-consuming West of its former privileged position while endowing oil-producing states, together with their fellow developing countries in the Global South, with considerable political power.

Divisions, however, spoiled OPEC's capacity to implement structural change. "In Algerian eyes," write Garavini, "OPEC was meant to be a tool to overcome the concessionary system and impose sovereign control over natural resources" (182). For the conservative Saudi Arabia, the group was a bargaining front for maximizing oil's wealth, without turning the global oil economy over to the chaos of free competition. For the Shah of Iran, OPEC was a front through which he could exert pressure on oil companies, boosting price and production in ways that would benefit his government financially and fund his vision of regional military pre-eminence. OPEC possessed a dual nature: it could represent the interests of the Global South, yet simultaneously act as an impediment to the acquisition of greater equality or economic sovereignty, privileging the interests of members rather than the community of nations. This limited OPEC's ability to force through change in the global political economy in the context of the New International Economic Order (NIEO) during the heyday of North-South dialogue in the 1970s.

Garavini occasionally moves his focus away from OPEC and toward the oil-consuming industrial West. His discussion of President Jimmy Carter's struggle with energy policy, which produced declining national demand and dropping prices thus paving the way for the high-consumption de-regulation of the Reagan era, displays a keen sense of how issues of domestic politics, changing political ideology, and structural energy factors intersect. His brief but fascinating look at how North Sea oil facilitated the triumph of Thatcherism is spectacular in its impact and effective in its brevity. With customary wit, Garavini notes how the prime minister "did not repay Nature's generosity:" while North Sea oil provided Britain with a weapon against OPEC, a source of funds to pay for tax cuts, and the lever by which Thatcher succeeded in de-throning the coal miners from their position in British politics, "she never once mentions the riches of the North Sea" in her memoirs (309).

It is in this final chapter, where Garavini examine the 1980s, that his book makes its largest scholarly intervention. He effectively balances discussion of non-OPEC developments, such as the decline in oil consumption in the West and the rise of non-OPEC producers such as Mexico, Norway, and Great Britain, with a vivid narrative of OPEC's experimental decade, as the group tried to function as an effective cartel led by Saudi Arabia, the global swing producer. The experiment ended in 1986, when Saudi Arabia chose to abandon oil production quotas and pump at will. The counter-shock was part of a "counter-revolution," (380) which Garavini explores in a lengthy epilogue. As OPEC lost its ability to set global prices—a power it held from 1973 to 1985—state actors lost out to the forces of privatization, marketization, and neoliberalism. Low prices, mounting debt, war, and internal instability wracked the oil-producing world, as national control over oil lost out to a new paradigm of floating prices managed by an unregulated market. National oil companies signed deals with Western firms that illustrated "the progressive dismantling of sovereign control over the petroleum sector." (385). While a few OPEC states in the Persian Gulf grew rich from the oil trade, throughout the world oil-producers in the late twentieth century were afflicted by low economic growth, high unemployment, frequent instability, political repression, and foreign military intervention, a set of conditions that Garavini suggests emerged from the transformation of the global energy economy, rather than from the local mismanagement of oil wealth by elites.

Garavini's effort to write a trilateral history of oil that functions as an effective history of OPEC *and* a substantive narrative of Venezuela's rise and fall as the world's first petro-state produces a narrative that occasionally feels disconnected. This is particularly true for his treatment of the energy crisis of the early 1970s. While the movement to increase prices within OPEC culminated in the October 1973 meeting (202-203), Garavini takes a long pause before filling in the geopolitical context surrounding that meeting: the October War, the Arab-Israeli crisis, and the decision of Saudi Arabia to embargo its ally the United States are not considered until the following chapter (217-221).

While the central themes of the book emerge clearly, on occasion the book's breadth outweighs its capacity for depth. Incidents of profound importance in each nation's internal oil history, such as the Iranian nationalization crisis of 1951-1954, the July Revolution in Iraq of 1958, or the 1950s anti-trust movement and the 1975-1976 Church Committee hearings in the United States, are dispensed with in a few pages or paragraphs. Other episodes of considerable significance, such as the Arab oil embargo of June-August 1967, are given surprisingly little attention.

In attempting to write an environmental history of OPEC, Garavini occasionally relies on claims revolving around producers' desire for "conservation." (176) There is a potential conflict in Garavini's argument, exemplified by an OPEC debate in June 1974. Iranian oil minister Jamshid Amuzegar denounced the wasteful habits of Western consumers and advocated for a higher price in order to conserve oil and encouraged global investment in alternatives. Oil prices, claimed Amuzegar, had to rise in order to ween the West off its oil addiction. While noting Amuzegar's "environmental sensitivity," Garavini admits that this sentiment could not be reconciled with the Shah's stated ambition "of massively ramping up Iranian production to 9 million barrels a day" (227-228). The Shah was no conservationist, though he frequently expressed a desire to maximize the value of Iran's oil reserves before they became depleted. Amuzegar's invocation of conservation reflects American oilmen of the early twentieth century, who deployed the term to conceal their efforts to restrain production and maximize profit.

Linking an emerging environmental discourse with arguments around conservation can lead to a conflation of environmental worries with the ever-present desire of OPEC leaders to maximize the value of oil in the short term. 'Conservation' is a term freighted with significance in oil's history and deserves a slightly more nuanced discussion than the one Garavini provides.

These points to the book's larger problem: sloppy copy-editing. According to this reader's count, there are at least 120 different textual errors, including misspellings, misplaced commas, and syntactical confusions. This quibble is not directed at Garavini, who has produced a sweeping history of global oil as well as a new archive of OPEC's internal dynamics. Rather, it is emblematic of a decline in copy-editing standards at major publishing houses. For now, we can only hope that Garavini's history of oil's international twentieth century receives a second edition and the smooth, error-free text it deserves.

Review by Michael Dobson, The New School for Social Research

In the late 1940s, following a public crusade by petroleum engineer William Murray, the Railroad Commission of Texas, which was the powerful regulator of the Texas oil industry, moved aggressively to ban the flaring and venting of the natural gas that is inevitably brought to the surface mixed with crude oil during the process of the latter's extraction. This regulatory action ended an approach to oil production that had wasted innumerable billions of cubic feet of gas in the decades after the birth of the American oil industry in 1859.[7] In upholding the Commission's actions in 1949, the Texas Court of Civil Appeals was unequivocal in its defense of the principle of conservation:

> If the prevention of waste of natural resources such as gas is to await the time when direct and immediate profits can be realized from the operation, there would have been little need for the people of Texas to have amended their Constitution by declaring that the preservation and conservation of natural resources of the state are public rights and duties and directing that the legislature pass such laws as may be appropriate thereto… for private enterprise would not need the compulsion of law to conserve these resources if the practice were financially profitable.[8]

By mandating that natural gas be put to productive use, the Commission guaranteed that a stable supply of the fuel would henceforth be available, transforming the economics of investing in the transportation of the gas to the Northeastern United States.[9] It thus played a crucial catalytic role in the cleaner-burning fuel's displacement of petroleum and coal gas in the heating of the United States in the decades that followed.[10]

By the time the American oil industry eliminated flaring within the U.S., its operations stretched far across the globe. Yet the elimination of flaring did not similarly spread. On the contrary: as Giuliano Garavini notes in *The Rise and Fall of OPEC in the Twentieth Century*, the concession contracts that governed oil production in the Middle East (and this was also true elsewhere) contained "no formal obligation to extract the natural resources according to best techniques and conservation practices available at a given time" (31). American (and British and European) oil executives would, for decades, resist the entreaties of politicians in producing countries to replicate the infrastructure for productive use of associated gas that had become standard in the U.S.

Garavini traces this atmospheric marker of the colonial legacy to Venezuela, Algeria, Libya, and Saudi Arabia, and discusses an agreement negotiated by the Shah of Iran in 1973 that included an undertaking to eliminate flaring—by 1978 (102, 161, 166, 204, 209, 282). While much important work has been done on the responsibility of the major international oil companies for promoting doubt about the certainty of climate change science,[11] a quantification of the responsibility of those same companies for the greenhouse gas emissions generated by their colonial disregard for the natural gas resources of

[7] David F. Prindle, Petroleum Politics and the Texas Railroad Commission (Austin: University of Texas Press, 1981), 55-69.

[8] Railroad Commission v. Flour Bluff Oil Co., 219 S.W. 2d 506 (1949).

[9] Edward W. Constant II, "Cause or Consequence: Science, Technology, and Regulatory Change in the Oil Business in Texas, 1930-1975" Technology and Culture 30:2 (April 1989) 426-455.

[10] Daniel Yergin, The Prize: The Epic Quest for Oil, Money, and Power (New York: Simon & Schuster, 1991), 430.

[11] See, for example, Geoffrey Supran and Naomi Oreskes, "Assessing ExxonMobil's climate change communications (1977-2014)" Environmental Research Letters 12:8 (2017), 084019, DOI: https://doi.org/10.1088/1748-9326/aa815f

developing countries remains to be completed. Jim Krane's recent work on Saudi Arabia, however, indicates the potentially vast scale of the issue.[12]

Garavini's attendance to the issue of flaring—one frequently overlooked in histories of the industry—comports with his larger ambition of writing a history of OPEC as an 'ecological force.'[13] It is an eminently welcome project, one that recovers an abundance of material of pressing contemporary interest. The result is a highly readable historical introduction to the complexities of the extant, if largely dormant, political philosophy of oil conservation—for which 'Keep It in the Ground' is but a latter-day slogan.[14]

Garavini is not the first scholar to place the history the Organization of Petroleum Exporting Countries (OPEC) explicitly within a climate frame. In 2013, *Foreign Affairs* published an article by Michael L. Ross entitled "How the 1973 Oil Embargo Saved the Planet." Ross argued "the OPEC members that created the oil crisis inadvertently gave the rest of the world a life-saving head start in the struggle to avoid, or at least mitigate, the threat of catastrophic climate change." He went on to discuss the "surprising green response" the embargo generated, including President Richard Nixon's introduction of speed limits, President Gerald Ford's fuel economy standards, and President Jimmy Carter's push to expand alternative energy. According to Ross, "on balance, the conservation and research policies triggered by the oil shock have probably done more to curb carbon emissions than any policies after the embargo."[15]

In Ross's telling, the application of an environmentalist lens to the events of 1973 is entirely retrospective. By conflating the embargo and subsequent price increases, the article reduces the impetus for both to the Yom Kippur War. That it was the Shah's Iran that drove price increases, despite its not having participated in the embargo, is widely acknowledged in more nuanced accounts. Garavini's contribution is to demonstrate that an environmentalist motivation was by no means 'inadvertent' on the part of the key players at the time. Rather, by 1973, he notes,

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[12] "Historically, Saudi GHG emissions were dominated by natural gas flared and vented during oil production. Fugitive methane emissions peaked during the 1970s, a period when the kingdom's overall GHG emissions reached highs that were only surpassed within the last few years (Figure 1). At the time, Aramco was owned and operated by U.S. companies that had no interest in capturing natural gas produced in association with oil. The gas was either vented to the atmosphere—the source of much of the fugitive methane (CH_4) in Figure 1— or burned off at the wellhead, which accounted for a large portion of Saudi CO_2 emissions. The flaring and venting of natural gas were curtailed dramatically after the Saudi government took full control of the company in 1980, which resulted in the deep reductions in Saudi GHG emissions seen in Figure 1." Jim Krane, "Energy Governance In Saudi Arabia: An Assessment of the Kingdom's Resources, Policies, and Climate Approach" (Center for Energy Studies, Baker Institute, Rice University, 2019), 1-36, 18, DOI: https://doi.org/10.25613/hsd0-hg33

[13] Flaring is entirely missing, for example, from histories presented by industry participants (former OPEC Secretary General Francisco Parra, Oil Politics: A Modern History of Petroleum (London: I.B. Tauris, 2004)); environmentally-minded political historians (Timothy Mitchell, Carbon Democracy: Political Power in the Age of Oil (London: Verso, 2013)); and contemporary energy analysts (Mahmoud A. El-Gamal and Amy Myers Jaffe, Oil, Dollars, Debt, and Crises: The Global Curse of Black Gold (Cambridge, Cambridge University Press, 2010). Daniel Yergin mentions flaring only once, and only in the U.S. context, in his popular tome The Prize, 429-430. The same is true of former presidential energy advisor Bob McNally, who mentions in a footnote that U.S. flaring regulations were "intended to prevent the inferior use of a scarce natural resource and to promote the use of natural gas in industrial growth": Robert McNally, Crude Volatility: The History and the Future of Boom-Bust Oil Prices (New York: Columbia University Press, 2017), 249n17.

[14] Which is not to deny the contemporary movement's impact: see Michael Dobson, "Alberta's oil production cut shows the Keystone XL protest worked" Climate Home News, 21 February 2019 https://www.climatechangenews.com/2019/02/21/albertas-oil-production-cut-shows-keystone-xl-protest-worked/.

[15] Michael L. Ross, "How the 1973 Oil Embargo Saved the Planet" Foreign Affairs, 13 October 2013, https://www.foreignaffairs.com/articles/north-america/2013-10-15/how-1973-oil-embargo-saved-planet

> Some of OPEC's technocrats and politicians felt they were entitled to be speaking both for their own citizens as well as in the [name] of the preservation of natural resources. They started thinking of OPEC as both an instrument to support the struggle of developing countries for higher raw materials prices as well as an 'ecological force' against unrestrained consumerism (215).

Garavini quotes at length from a speech by Iranian negotiator Jamshid Amouzegar to his fellow OPEC delegates in 1974:

> When passing through the famous cities of the highly industrialized countries of the world, and he thought all of them had visited these places, they had no doubt found that the skyscrapers were completely sealed off, it being impossible to open a window; in addition to central heating and air conditioning, there was usually a 24-hour ventilation system. Why, he asked: because it was cheaper to use oil as a fuel to provide this 24-hour ventilation than to have door knobs, open windows, etc.

This, he said, was what the affluent societies of the world did if provided with cheap oil and this was what had, indeed, happened over the last twenty-five years. They were now awaiting that humanity and posterity would stop the waste of this precious premium natural resource (227).

Thus while it may be true that concern about climate change was not widespread in 1973, it is equally the case that OPEC's decision-making in that critical year was guided by environmental principles which are eminently recognizable to anyone familiar with the Texas Constitution. The notion that oil should be priced at a level to incentivize the development of alternatives, in other words, significantly predates efforts to use carbon taxes to achieve the same result.

The most important hinge between Austin and Tehran ran through Caracas, and one of the most salutary aspects of Garavini's work is its potential to revive interest in the work of Juan Pablo Pérez Alfonzo, the twentieth century's most prescient, ambitious, and consequential theorist and practitioner of international environmental politics. Born in the Venezuelan capital in 1903, Alfonzo came of age under the petro-dictatorship of Juan Vincente Gómez, who headed a murderous regime deeply entwined with the American oil industry.[16] Out of these circumstances, Alfonzo developed a politics that merged the struggle for oil conservation with those for democracy, workers' rights, and anticolonial sovereignty. He ultimately held the position of minister responsible for oil under both the first and second democratic Venezuelan governments, experiencing ten years in exile between the two.[17]

Amid the tumultuous years in Saudi Arabia between the death of the Kingdom's founder in 1953 and the consolidation of authoritarian rule in 1962,[18] Alfonzo found in Abdullah Tariki an interlocutor who shared many of his views, and in the whirlwind year-and-a-half following the first Arab Petroleum Congress of April 1959, the pair laid the groundwork for the creation of OPEC, which this year celebrates its 60th anniversary. The conservationist principles evinced by Iran in 1973

[16] Franklin Tugwell, The Politics of Oil in Venezuela (Stanford: Stanford University Press, 1975); Fernando Coronil, The Magical State: Nature, Money, and Modernity in Venezuela (Chicago: University of Chicago Press, 1997). Even Yergin acknowledges that some of Standard Oil of New Jersey's employees were "cronies of the old Gomez regime;" Yergin, 434.

[17] Preceding the title under review and the archival efforts of its author (10), very little of Alfonzo's writing has been available in English; an exception is his 1943 speech on the occasion of the vote on Venezuela's Petroleum Law of that year: see "Abstention of Doctor Juan Pablo Pérez Alfonzo" in Rómulo Betancourt, Venezuela's Oil, (trans. Donald Peck) (London: George Allen & Unwin, 1978), 160-173. On Alfonzo's career, see inter alia: Michael Dobson, "Revisiting OPEC's Democratic Roots in the Era of Climate Emergency" E-International Relations (17 January 2020). https://www.e-ir.info/2020/01/17/revisiting-opecs-democratic-roots-in-the-age-of-climate-emergency/

[18] Regarding a period aggressively forgotten, see Rosie Bsheer, "A Counter-Revolutionary State: Popular Movements and the Making of Saudi Arabia" Past & Present 28:1 (February 2018):233-277.

thus had deep roots, stretching back not merely to the Organization's founders, but to the Railroad Commission of Texas they explicitly sought to replicate on an international scale.

As Garavini's work ably demonstrates, OPEC proved more effective, if belatedly so, in advancing its founders' vision of a collective assertion of sovereignty over natural resources, than it did in instantiating an effective forum for international oil conservation. The price shocks of 1973 and 1979 certainly had an impact, and the author rightly notes that the twentieth century's only decline in global oil consumption coincided with the peak of OPEC's power (389). In 1981, the Organization was still issuing communiqués touting the importance of alternative energy and a vision of a 'post-oil world' (329). Yet as the title of the book suggests, this peak was followed by a decline, and by the early 1990s, a decade of war in the Middle East, combined with the rise of new oil-producing regions, meant that,

> Petrostates could no longer focus on maximizing their per barrel income and on preserving their most valuable natural resources for future generations. With more immediate and pressing concerns, petrostates decided to focus instead on maximizing production and on re-launching the competitiveness of petroleum as the key energy source (372).

The received wisdom among industry commentators today is that a focus on maximizing production is likely here to stay, on the grounds that breakthroughs in shale and tar-sands recovery have inaugurated an 'age of abundance' that fatally undermines the traditional economic rationale for conservation: the assurance that a tendency towards declining supply means that what is not sold today can be sold tomorrow, and at greater profit.[19] If the reasonable conclusion is that peak global demand for oil will arrive before peak global supply, then the 'green paradox' is likely to impel producers to increase production in the short-term in order to avoid becoming 'stranded' with oil underground in the long-term.[20] At least one prominent Saudi commentator has recently urged Saudi Aramco to follow exactly this logic.[21]

Such an approach makes two assumptions, however. First, it ignores the environmental cost of combusted hydrocarbons. When this factor is included, the loss from 'stranded' oil is significantly reduced, if not outweighed, by the climate benefits of leaving it underground. Second, it assigns oil a value only in terms of our current range of uses for it, discounting the possibility that human civilizations of the twenty-second or twenty-third century may devise uses for oil of which we are currently ignorant, and which cannot be substituted by electricity, as is currently possible in heating and transportation. Taking these two factors into account (and noting that the second will likely depend on the first), it remains extremely difficult to imagine a scenario in which humanity looks back with regret at having sold too little oil for combustion in automobiles.

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[19] Spencer Dale and Bassam Fattouh, "Peak Oil Demand and Long-Run Oil Prices" (Oxford: The Oxford Institute for Energy Studies, 2018), https://www.oxfordenergy.org/wpcms/wp-content/uploads/2018/01/Peak-Oil-Demand-and-Long-Run-Oil-Prices-Insight-25.pdf.

[20] Liam Denning, "Looking for Stranded Oil? Start with OPEC" Bloomberg Opinion, 18 July 2018, https://www.bloomberg.com/opinion/articles/2018-07-18/opec-oil-reserves-are-most-at-risk-of-being-stranded; Hans-Werner Sinn, The Green Paradox: A Supply-Side Approach to Global Warming (Cambridge: MIT Press, 2012). Being a product of economics (fluctuations in global demand and non-OPEC supply) and politics (reaching agreements and abiding by them), OPEC's ability to influence the market is itself in permanent flux. To the extent the Organization currently pursues a coherent policy, however, it is clearly circumscribed by an aversion to "demand destruction": the loss of demand that stems from an oil price high enough to make switching permanently to another energy source economic for the consumer. See John Kemp, "Rising oil prices put demand destruction back on the agenda" Reuters, 2 May 2018, https://www.reuters.com/article/us-oil-prices-kemp/rising-oil-prices-put-demand-destruction-back-on-the-agenda-kemp-idUSKBN1I30YJ

[21] Ali al-Shihabi, "Saudi Arabia, Russia, and Aramco: The end of OPEC+" Al Arabiya, 15 March 2020, https://english.alarabiya.net/en/views/news/middle-east/2020/03/15/The-end-of-OPEC-

Considering that to be the case, the recent revival of academic interest in oil conservation, albeit under the guise of 'supply side climate policy,' is an important development.[22] This discourse, spearheaded by the Stockholm Environment Institute,[23] has to date not looked to the anticolonial experience for inspiration, preferring the precedent of nuclear non-proliferation.[24] Attending to a tradition that approaches hydrocarbons as precious rather than malign, Garavini opens a different window, one that provides a vaster perspective, encompassing conservation movements that precede the climate era.[25]

In contemplating its return, it is important to recognize that oil conservation is not without its darker aspects. As Garavini notes, including by reference to important work by Roger R. Stern on the pernicious consequences of 'oil scarcity ideology' for U.S. foreign policy,[26] a commitment to conserving oil reserves domestically has often justified imperialism abroad, dating back at least to the pioneering American oil conservationist Mark Reqa (23). The legendary charisma of Railroad Commissioner Ernest O. Thompson, the dominant personality in establishing oil conservation in Texas during his tenure from 1932—1965, was grounded in the Lost Cause: Thompson referred to the protection of Texas resources from federal regulation as "one of the great peacetime victories for the principles for which our forefathers laid down their lives in the War between the States."[27] One of Thompson's chief federal antagonists, Secretary of the Interior Harold Ickes, desegregated the Department, pushed President Franklin D. Roosevelt to support the Spanish Loyalists in 1938, and tried to settle European refugees in Alaska in 1939-1940.[28] Yet his subsequent experience as Petroleum Administrator for War led him to push as well for American control over Middle Eastern oil.[29] More recently, the first General Emir of Al Qaeda

[22] For an overview see Michael Lazarus and Harro van Asselt, "Fossil fuel supply and climate policy: exploring the road less taken" Climatic Change 150 (2018), 1-13. Siân Bradley's work is pathbreaking; see: "Transparency in Transition: Climate Change, Energy Transition and the EITI" Chatham House Research Paper, June 2020, 1-38, https://www.chathamhouse.org/expert/si-n-bradley.

[23] The Stockholm Environment Institute has organized conferences on "Fossil Fuel Supply and Climate Policy" in 2016 and 2018; a third is planned for 2021. See http://fossilfuelsandclimate.org.

[24] Peter Newell and Andrew Simms "Towards a fossil fuel non-proliferation treaty" Climate Policy 20:8 (2019), https://doi.org/10.1080/14693062.2019.1636759

[25] A U.S. presidential Science Advisory Committee raised the possibility of increasing concentrations of CO_2 leading to "measurable and perhaps marked changes in climate" in 1965. President Carter signed into law the National Climate Program Act in 1978 to "assist the Nation and the world to understand and respond to natural and man-induced climate processes and their implications." The Global Climate Protection Act of 1987 noted the need for "vigorous efforts to achieve international cooperation aimed at minimizing and responding to adverse climate change" and stated U.S. policy should seek to "work towards multilateral agreements." The UN Framework Convention on Climate Change was adopted in 1992. Oil conservation substantially precedes any of these potential beginnings of the climate era. See: President's Science Advisory Committee, Environmental Pollution Panel, Restoring the Quality of Our Environment (Washington, D.C.: GPO, 1965), 126-127; Edward S. Epstein, "Beginnings of the National Climate Program" Bulletin of the American Meteorological Society 59:11 (November 1978): 1402-1405, at 1402; Foreign Relations Authorization Act, Fiscal Years 1988, 1989, Public Law 100-204 U.S. Statutes at Large 101 (1987) 1331-1432, at 1408, https://www.govtrack.us/congress/bills/100/hr1777/text .

[26] Roger R. Stern, "Oil Scarcity Ideology in US Foreign Policy, 1908-1997" Security Studies 25:2 (2016): 214-257.

[27] Ernest O. Thompson, cited in William R. Childs, "The Transformation of the Railroad Commission of Texas, 1917-1940: Business-Government Relations and the Importance of Personality, Agency Culture, and Regional Differences" Business History Review 65 (Summer 1991): 285-344, at 330.

[28] T.H. Watkins, Righteous Pilgrim: The Life and Times of Harold L. Ickes, 1874-1952 (New York: Henry Holt and Company, 1990).

[29] Stern, 230-233.

Osama bin Laden charged that his erstwhile government's willingness to appease the U.S. government by selling oil cheaply amounted to "the greatest theft in human history."[30]

Yet if conservation is not immune from merger with less-than-liberatory ideologies, this does not diminish its potential to be a core component of democratic and anticolonial politics, nor its long history of same. Senator 'Fightin' Bob' La Follette of Wisconsin, for example, sought to add the following reservations to any U.S. ratification of the 1919 Treaty of Peace with Germany:

> 1. Nothing contained in… the League Covenant… shall be construed to deny to the people of Ireland, India, Egypt, Korea, or any other people living under a government which as to such people does not derive its powers from the consent of the governed, the right of revolution or the right to alter or abolish such government…
>
> 6. The United States hereby gives notice that it will withdraw from the League of Nations whenever any member, exercising a mandate or protectorate over any country, or claiming and exercising a sphere of influence in or over any country, shall, without the free and full consent of the people of such country, appropriate the natural resources thereof, or shall, directly or indirectly, aid any individual or corporation alien to such country, to acquire any right or title to, or any concession, in its natural resources…[31]

In April 1922, La Follette began investigating the actions of Secretary of the Interior Albert Fall (who in 1917, as one of the first Senators from New Mexico, had averred in response to La Follette's views on the war that "no more dangerous doctrine has been preached, no more insidiously dangerous utterance has been heard from any source").[32] Under the headline "Oil Monopoly Plunders Public", the May 1922 edition of *La Follette's Magazine* reproduced excerpts of the speech in which the Wisconsin senator launched an inquiry into potential fraud in the leasing of naval petroleum reserves for commercial production. A pull-quote stated:

> Upon every measure that involved the conservation of natural resources upon the public lands Senator Fall, of New Mexico, was the aggressive opponent of the policy of conservation as established under Roosevelt and thereafter maintained as a general policy of administration by his successors…[33]

[30] El-Gamal and Jaffe, 66. Bin Laden's Saudi citizenship was revoked in 1994.

[31] Robert La Follette, "Trying To Make It a League of Peace", La Follette's Magazine 11:11 (November 1919), 165–180, 167, 176. See further Richard Drake, The Education of an Anti-Imperialist: Robert La Follette and U.S. Expansion (Madison: University of Wisconsin Press, 2013).

[32] Senator Fall, 65th Congress, 1st Sess., Congressional Record 55:8 (2 October - 6 October 1917), 7873-7898, 7894, https://www.govinfo.gov/app/details/GPO-CRECB-1917-pt8-v55/GPO-CRECB-1917-pt8-v55-5-1/summary.

[33] Robert La Follette, La Follette's Magazine, 14:5 (May 1922), 65–80, 67. Fall's speech attacking La Follette in 1917 recommends this quote as an accurate summary of his views: "I voted against [Senator La Follette's] proposition to tax the wealth of this country 80 per cent, or the incomes of this country 80 per cent, and for that he cries upon me, "Shame! Shame!" Mr. President, it is simply a question of difference of opinion as to the proper way to finance this war.… We have untold billions of tons of iron belonging to the United States Government. We have in Alaska alone, sir, an asset which I will guarantee can be placed with financiers in this country upon a basis that will pay the sinking fund and the interest upon $50,000,000,000 of war indebtedness. It is upon those resources rather than taxing the present industry of the United States, that I would rely for the final payment of this great war indebtedness. I want to say, sir, that not only can we raise and spend this $21,000,000,000 but that rather than sending word to the Kaiser that our people are growing restless under the system of taxation already adopted, we should send word to him that with the natural resources belonging to us, without taxing the people of the United States one dollar, we can carry this war to a successful conclusion if it costs us two hundred and fifty

Fightin' Bob was four years dead by the time Fall went to prison in 1929, but the quote captures the extent to which the investigation was part of a larger campaign against unbridled commercial production of natural resources in the early decades of the twentieth century.[34] Garavini recounts Kuwait's own Teapot Dome scandal, in which nationalist opposition politicians uncovered a scheme by Gulf Oil and BP to ramp up the country's oil production from 3.2 to 5 million barrels a day, subsequently leveraging public opposition to quash it (203). Internationally, Venezuela's OPEC policy continued for many years to bear Alfonzo's imprint, as in a 1977 proposal to raise oil prices slightly less than 10% and devote the windfall entirely towards debt repayments for developing countries without oil (269). Garavini does not develop the point, but this particular historical example is generative in light of his apt concluding statement that OPEC countries are effectively international carbon tax collectors (389).

Garavini's text joins others including Christopher Dietrich's *Oil Revolution* and Adom Getachew's *Worldmaking After Empire* in a recent wave of sympathetic treatments of the anticolonial movement that are fertile ground for contemporary politics, including the politics of climate change.[35] Dietrich's book is particularly cogent in underlining the extent to which the world's first great transnational movement to comprehend and appropriate the *techne* of global oil market management depended upon a common understanding of the history that its protagonists inherited.[36] To the extent that supply side climate policy portends a second such transnational undertaking, a deep familiarity with the anticolonial, antiauthoritarian strain of conservationism that animated OPEC's founders will be an essential first step to pursuing its revival. *The Rise and Fall of OPEC in the Twentieth Century* makes an indispensible contribution in this regard.

Flaring and venting and fugitive emissions, it should be noted in closing, remain an urgent challenge today, contributing a staggering 6% of total global greenhouse gas emissions.[37] Nowhere is the problem more egregious than in Texas, where the contemporary Railroad Commission has strayed far from the conservationist principles of its heyday. In 2019 more natural gas was wasted through flaring than was burned in Texan homes.[38] Seeking to replicate the success of William Murray some seventy years hence, engineer and attorney Chrysta Castañeda campaigned in 2020 for election to the Commission on a Democratic ticket focused on the elimination of flaring and a return to the principles of conservation.[39] She lost, but not

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billions rather than twenty-one billions of dollars." Senator Fall, 65th Congress, 1st Sess., Congressional Record, 55:8, 7895. Cf. Thomas Richter, "New Petro-Aggression in the Middle East: Saudi Arabia in the Spotlight" Global Policy 11:1 (February 2020) 93–102.

[34] J Leonard Bates, "Fulfilling American Democracy: The Conservation Movement, 1907 to 1921" The Mississippi Valley Historical Review 44:1 (June 1957), 29-57.

[35] Christopher R. W. Dietrich, Oil Revolution: Anticolonial Elites, Sovereign Rights, and the Economic Culture of Decolonization (Cambridge: Cambridge University Press, 2017); Adom Getachew, Worldmaking After Empire: The Rise and Fall of Self-Determination (Princeton: Princeton University Press, 2019).

[36] Dietrich, "Histories of Petroleum Colonization: Oil Elites and Sovereign Rights, 1960-1967." 89-123.

[37] Raphael Calel and Paasha Mahdavi, "Opinion: The unintended consequences of antiflaring policies – and measures for mitigation" Proceedings of the National Academy of Sciences of the United States of America, 20 May 2020. https://doi.org/10.1073/pnas.2006774117

[38] Liam Denning, "Texas Tackles its Gas Problem with Whataboutism" Bloomberg Opinion, 21 February 2020, https://www.bloomberg.com/opinion/articles/2020-02-20/texas-tackles-its-gas-flaring-venting-problem-with-whataboutism.

[39] Editorial Board, "We recommend Chrysta Castañeda for Railroad Commission" Houston Chronicle, 17 September 2020, https://www.houstonchronicle.com/opinion/editorials/article/Editorial-We-recommend-Chrysta-Casta-eda-for-15573259.php.

before climate philanthropist Michael Bloomberg donated $2.6 million to her campaign in its final weeks.[40] Castañeda's Republican opponent Jim Wright will instead become the 51st Texas Railroad Commissioner, a position first held by John Henninger Reagan.[41] The history of oil and gas conservation continues to be written, under an ever-growing cloud of climate concern.

[40] Castañeda earned 4,752,743 votes to Wright's 5,801,984. Regarding Bloomberg's donation, see Naveena Sadasivam, "Why is Michael Bloomberg giving $2.6 million to elect a railroad commissioner in Texas?" Grist, 28 October 2020, https://grist.org/energy/why-is-michael-bloomberg-giving-2-6-million-to-elect-a-railroad-commissioner-in-texas/

[41] Railroad Commission of Texas, "Railroad Commissioners Past through Present" https://www.rrc.state.tx.us/about-us/commissioners/commissioner-list/.

Review by Giacomo Luciani, Science-Po

There is no lack of literature on the Organization of the Petroleum Exporting Countries (OPEC), but so far it has been mostly written either by some of the participants (memoirs or direct observations)[42] or by petroleum industry experts, who perennially discuss whether OPEC is dead or alive, and whether it ever truly mattered. Garavini's book is the first history of OPEC written by a professional historian, who, while he had direct contact with some of the participants, mostly relies on documents in OPEC's archives, a good deal of which have been forgotten or not systematically analyzed before.

The story that Garavini tells is, as it happens, one that pretty much coincides with my own professional career: in 1971-1972 I had the opportunity of taking a course on the oil industry jointly offered by Harvard's Graduate School of Arts and Sciences, Harvard's Business School and MIT. It was an eye opener, and when the 'first oil crisis' (i.e. significant price increase) took place in 1973, I started working and writing on oil, and specifically on the role of OPEC, responding to the huge interest that the topic attracted at the time.

Attention progressively shifted to gas in the 1980s—when Europe started importing large volumes of gas from the Soviet Union, against U.S. objections—but the focus on oil remained strong until the end of the 2000s, i.e. for as long as 'peak oil supply' was a source of concern. Nowadays, oil is of more limited intellectual interest—although it remains of very significant, and hardly diminished, economic importance. The debate has shifted to peak oil demand.

The title of Garavini's book clearly refers to this relatively short historical cycle: although OPEC is still there today and occasionally exercises some influence on prices, the book sees its rise and fall as being entirely confined within the twentieth century. In fact, Garavini considers events up to 1990, and only briefly discusses what came thereafter in the concluding chapter.

Garavini believes that by 1990, when Iraq invaded Kuwait, the parabola of OPEC was complete. This may surprise those who view OPEC primarily or exclusively as a cartel, whose main objective is to maximize the oil rent for its members; but that is not the way Garavini understands the organization. Rather, he sees it as one component of a much broader historical movement encompassing the liquidation of the European empires, the coming to independence and UN membership of a large number of formerly subject countries, and the mirage of a third way between the two superpowers in the cold war. The Soviet Union collapsed in 1991; from that moment the rules of the game have changed to the point that no concept of a third way has a meaning. History did not end, as some claimed, but it surely became more confused.

Garavini writes,

> "I have tried to link the rise of OPEC with the ongoing debates on development and with the efforts of other Third World countries to influence the international agenda. OPEC has been the first international organization of the so-called "Global South." It was created one year before the Non-Aligned Movement was launched in 1961 and four years before the creation of the United Nations Conference for Trade and Development (UNCTAD)" (8).

We hardly any longer speak of the Third World, and the Non-Aligned Movement definitely belongs to a distant past; UNCTAD is one of several organizations conducting a low-key and uneventful life in Geneva, and is much overshadowed by the World Trade Organization (WTO), which is itself in a deep crisis. Thus relatively speaking one could say that OPEC has been more successful than other multilateral institutions, because it not only exists and the media pays attention

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[42] Prominent among these are: Francisco Parra Oil Politics: A Modern History of Petroleum (London : I.B. Tauris, 2009); Ian Seymour OPEC: Instrument of Change (London : Palgrave Macmillan, 1980); Fadhil J. Chalabi Oil Policies, Oil Myths: Observations of an OPEC "Insider" (London: I.B. Tauris 2010)

to its conferences and occasionally to its publications; but it is also credited of having some influence on oil prices, at least to the extent that it can act in concert with the Russian Federation and other producers, which, nevertheless, remain not interested in becoming OPEC members.

Yet the historical significance of OPEC has evaporated, at the same time that Non-Alignment or Third Worldism ceased to have any residual meaning. OPEC lost out for specific reasons connected to oil demand and supply. Oil demand increased at a markedly lower pace after 1973, and supply from sources outside of OPEC became abundant, also thanks to OPEC's success in raising prices and hence companies' profits. But it has lost out also because the idea of a New International Economic Order (NIEO) never coalesced into a workable project. The NIEO was launched soon after the 'first oil crisis,' at a Special Session of the United Nations General Assembly in April 1974[43], and appeared as the logical generalization of OPEC's action to regain control of the member countries' natural resources and obtain a better price for their exports.

Garavini's account of what the political leaders of OPEC, such as Algeria's President Houari Boumediene, Venezuela's Oil Minister Manuel Pérez Guerrero, Iraq's Petroleum Minister Sadun Hammadi and Iran's Finance Minister Jamshid Amouzegar, proposed at that conference conveys a sobering message when compared to the level of today's leadership and debate. The idea that OPEC might be the avant-garde of the Third World in establishing a new solidarity between emerging countries, and negotiate more favorable rules with the rich countries (which at the time included the Soviet Block) has today completely disappeared.

The failure of that idea occurred at several levels simultaneously. First, it reflected the failure of the petrostates' individual development ambitions. Sixty years later, of the five original founding members of OPEC, three are in dire economic conditions (Iran, Iraq and Venezuela), while Kuwait and Saudi Arabia face major developmental dilemmas. Second, the drive towards cooperation, be it between oil exporters within OPEC; regionally between Arab countries; or more generally between oil producers and all other developing countries, has given way to the multiplication of armed conflicts, which destroyed any notion of collective action. Third, in any case all countries ended up accepting the rules of market-based globalization, and have abandoned the ambition to pursue a more equitable global order.

The one episode that marked the transition from OPEC's rise to its fall is probably the Iranian revolution (1979). Garavini does not devote much attention to the revolution; he does not ask when the rising trajectory of OPEC shifted downwards, probably because he does not want to burden the narrative with too much subjective interpretation, but clearly shows how nothing was the same after the advent of the Islamic Republic. With hindsight it is rather clear that, while the Shah had been a strong supporter of OPEC notwithstanding his predominantly pro-U.S. alignment and saw in the Organization a tool to assert Iran's influence and hegemony, the Islamic Republic soon became a factor of division and conflict, and remains so to this date. Whether things might have evolved differently and under what conditions, it is difficult to speculate. But it is clear that the Revolution triggered a cascade of miscalculations that culminated in the Iraqi assault on Iran in 1980. The protracted and extremely bloody war left wounds in the Middle East region that are far from healed to this day.

In his account of the Bali conference, which took place immediately after the start of the war, Garavini notes that OPEC barely avoided falling apart, thanks to the diplomatic skills of Dr. Subroto, the Indonesian Minister (298). Yet the Long Term Strategy, which had been under discussion for years, could not be approved, and the organization was deeply divided on price strategy, with some producers wishing to opt for moderate prices in order to maintain market share, and other instead maximizing prices even at the cost of lower volumes. This cleavage continues to trouble OPEC to this day, and is probably intrinsic to the divergent interests of countries that are very different from each other in all respects, including the size of their oil reserves, current production, and exports.

[43] Declaration for the Establishment of a New International Economic Order: United Nations General Assembly document A/RES/S-6/3201 of 1 May 1974. See also: Jagdish N. Bhagwati, ed., The New International Economic Order: The North-South Debate. (Cambridge: MIT Press, 1977).

OPEC was born to resist a reduction in oil prices that would be unilaterally announced by the major international oil companies, and always aimed at stabilizing prices and member countries' revenue, but never came close to achieving this goal. The concept of a long-run stable price that might be maintained notwithstanding the vagaries of demand and supply has proven elusive. In fact, physical demand and supply have been more stable than prices, whose volatility increased over time due to the financialization of the market. Other commodities have not been less volatile, increasing uncertainty and therefore risk in international economic relations, and constraining global growth to a suboptimal path. Hence the idea of a New International Economic Order that would allow greater stability and encourage more timely investment has, per se, not lost its attraction. But it would require a degree of multilateral governance that is not realistically feasible.

OPEC never came close to acquiring the level of control on members' behavior that would have been necessary for it to have effectively managed the global oil market. Garavini's account very clearly shows the very limited perception of common interest that kept such a diverse group of member countries together. Mutual trust did not progressively improve with time; quite the opposite. What strikes me is that this experience is not unusual at all: most, if not all, attempts at multilateral cooperation have proven unable to reach the goals that were originally envisaged, and the system of international relations is increasingly fragmented and anarchic.

Garavini's account of the rise and fall of OPEC is therefore a case study of what we may expect with respect to global challenges such as global warming. Notwithstanding the fact that the benefit and necessity of collective action may be clear and universally understood, sovereign countries do not succeed in cooperating. OPEC still exists, and ministers meet in conferences and discuss oil market conditions, but the deliberations hardly make any difference except in the very short term.

Review by David S. Painter, Georgetown University

The Organization of the Petroleum Exporting Countries (OPEC) had a major impact on the world economy in the second half of the twentieth century. Although there have been many fine studies of OPEC as well as memoirs by key protagonists, most are several years old and thus do not draw on more recently available primary and secondary sources.[44] Moreover, the existence of these fine studies has not prevented OPEC from being misunderstood and misrepresented by journalists, pundits, and politicians. In October 2014, for example, Securing America's Future Energy (SAFE), a Washington, DC-based lobbying group held a conference entitled," OPEC Oil Embargo +40," a title that mischaracterized the embargo by attributing it to OPEC, thus ignoring its roots in the Arab-Israeli conflict.[45] The Organization of Arab Petroleum Exporting Countries (OAPEC) not OPEC imposed the embargo and production cuts in hopes of forcing changes in U.S. policy toward Israeli occupation of Arab territory. OPEC's non-Arab members did not participate in either the embargo or the production cuts. Conservative pundit Derek Leebaert not only repeated this error in a 2010 book, but also erroneously blamed the 1979 oil crisis on OPEC.[46] A third example: the US Energy Information Administration's (EIA) monthly *Short-Term Energy Lookout* (*STEO*) continues to group countries into OPEC and non-OPEC categories in its presentation of "unplanned liquid fuels production outages," thereby obscuring the simple fact that none of the outages have anything to do with OPEC. [47]

Rather than organizational history of OPEC or a history of international oil, *The Rise and Fall of OPEC* is an attempt "to see how the twentieth century looks when viewed from the perspective of the landlords that rule over the most productive oil regions in the world." (4). Garavini focuses on the efforts of petrostates, which are defined as countries that possess uniquely productive oil reserves and where oil exports account for a "vast majority" of exports and state revenues, to manage an exhaustible natural resource for the long-term benefit of their nations and their peoples (4-5).[48] The values and interests of petrostates ran counter to the values and interests of the major oil companies and those of the major oil consuming countries, on a wide range of issues, especially on the issue of who should receive most of the benefits from the development of their oil resources. "This global triangular interaction for the control and management of natural resources," Garavini argues, was central to some of the key political and economic conflicts of the twentieth century (7).

Elites, workers, and political movements in petrostates typically approached petroleum as an exhaustible natural resource, refused to consider it a commodity like any other, and believed that they should receive the lion's share of benefits from the export of their main resource. In this regard, it is essential to emphasize that from the perspective of an owner of a non-renewable resource, production is also depletion; a fact (over-) generously recognized in the U.S. code in the form of an oil depletion allowance that allows owners to reduce their taxes. The major oil companies were mainly interested in profits, and sought to control production and prices to achieve and maintain high rates of return. Oil consuming countries have largely

[44] Among the studies Garavini cites (7, n20), Ian Skeet, *OPEC: Twenty-Five Years of Prices and Politics* (Cambridge: Cambridge University Press, 1988), stands out for its clarity, objectivity, and reliability.

[45] See SAFE's website for the conference.

[46] Derek Leebaert, *Magic and Mayhem The Delusions of American Foreign Policy* (New York: Simon & Shuster, 2010), 176

[47] For STEO, see the EIA web site.

[48] Of course, many petrostate rulers sought wealth and power for themselves, their dynasties (many were monarchies), or their political movements.

been interested in low energy costs for their economies, though in the case of Western Europe, governments gained a large share of their revenues from taxes on oil products.[49]

From the 1920s until the early 1970s, governments of the major oil consuming countries conceded, when they did not promote, control over oil matters to the major companies. After the producing countries gained control of their oil sectors and influence over pricing and production levels in the 1970s, the consuming countries shifted their focus "to transforming the oil sector into an economic activity like any other; one where regular taxes would apply and where the state would not appropriate the resource rent." (385). Garavini notes that "if petroleum is 'commodified' (i.e. simply considered a commodity to be exchanged on the market), states become mere market actors, and natural resources such as petroleum are separated from the environment in which they are produced, the pollution and development models they generate and the conditions of the local populations" (8).

In addition to different views on economic issues, Western views about OPEC have also been colored by unconscious ethnocentric arrogance, the feeling that the inhabitants and governments of Third World oil producing countries were not capable of developing and controlling their own resources and therefore did not deserve to receive a larger share of the benefits than Western corporations and consumers. Garavini provides a telling example of this attitude quoting from the diary of revered U.S. diplomat George F. Kennan, who, after a visit to Latin America in 1950 complained that Venezuelans were parasites on Western oil companies—they "had not lifted a finger to create this wealth, would have been totally incapable of developing it, and did not require for its own needs the thousandth part of what was there" (61).

In a very suggestive argument Garavini points out that as sovereign landlords interested in preserving their natural resources for future generations, petrostates had the potential to play an important role in reducing fossil fuel consumption. Indeed, during the 1970s, petrostates played an active role in influencing oil consumption worldwide by raising prices and reducing production, and thus directly affected CO2 emission globally (8-9). Some influential petrostate officials such as Juan Pablo Pérez Alfonso of Venezuela, who in many ways is the hero of the book, were critics of Western overconsumption. Pérez Alfonso argued that it was vital to reduce global oil production and concentrate instead on global redistribution of energy consumption toward poorer countries. His views were not typical, however, and many, if not most, petrostate rulers were more interested in higher revenues, which could come from increased production and exports as well as from higher prices and a greater share of per barrel revenues.

Most OPEC members have been (and continue to be) ruled by authoritarian governments, and many by monarchies. Before the establishment of OPEC in 1960, there was often a "political and economic marriage between Anglo-American petrocapital, protected by Washington and London, and the sovereign landlords of the key oil exporting regions in the world" (53). Although this "complicity between sovereign landlords in 'underdeveloped' countries and the international oil companies to guarantee increasing supplies of petroleum" has been challenged at times, OPEC has not only been "an instrument through which the petrostates' elites, by embodying the effort to gain some degree of control over the world's most valuable commodity and the key domestic income source," but also a means that elites could use to "consolidate their power and secure greater legitimization and domestic support" (89).

One of the many strengths of the book is Garavini's attention to the structural factors that influenced petrostates' ability to achieve their goals. In the 1960s OPEC was able to prevent further falls in nominal posted prices at a time of declining world commodity prices, and to force the major oil companies to expense their royalties rather than count them as part of their tax obligations. It was not able to achieve more because of the vast quantities of new oil coming on stream, not only from new producers like Libya, but also from established exporters like Iran, Saudi Arabia, Kuwait, and Venezuela.

[49] According to OPEC statistics, in 1963, the final value of a barrel of oil in the OECD was $11.00. Of this amount, 45.5 percent went to consumer country governments in direct taxes and 6.8 percent in direct taxes. Oil exporting countries received only 6.7 percent, which was less than oil company profits of 6.9 percent (149, 150) In 1986, gasoline taxes in EU countries ranged from 54 percent of the final value of a barrel of crude oil in Luxembourg to 76.35 percent in Italy (386). This is an important point and one a U.S. scholar might have missed since U.S. taxes on motor fuels are notoriously low by European standards.

Similarly, structural changes such as the peaking of U.S. reserves (1968) and production (1970), and the shift in investment to the Middle East, resulted in a decline in excess capacity in the rest of the world making oil importers increasingly vulnerable to political events in the region. The second price shock at the end of the 1970s was likewise the result of structural changes in oil market as well as political instability in the Middle East, in this case the Iranian Revolution. "The fundamental structural problem was that by the end of the 1970s the largest oil consuming countries, first and foremost the United States, had not yet managed to reduce significantly their oil consumption and their dependence on imports" (290).

The collapse of oil prices in the 1980s, which is analyzed in an excellent chapter entitled "The Failed Cartel," resulted from structural changes in oil market, in particular a sharp increase in non-OPEC production, primarily from Mexico and the North Sea, but also from Russia and Canada (317). Changes in consumption patterns –less oil use per unit of GDP and greater use of coal, natural gas, and nuclear power—were at least as important as increased production (359). Many politicians, pundits, and journalists accept the claim that Reagan administration pressure led Saudi Arabia to increase its production, which caused the collapse of oil prices after 1985 and the economic collapse and eventual disintegration of the Soviet Union.[50] Garavini labels this argument "Cold War propaganda," pointing out that the Saudi decision to increase production and move to netback pricing resulted from the failure of OPEC to function as a cartel, which led to a steep decline in Saudi production and revenues (249).[51]

Because of production in new producing areas, including Russia, there were no shortages of oil due to the Iran-Iraq War (1980-1988) or the Gulf War (1990-1991) despite their impact on Iraqi and Iranian exports. Also, by the time of the Gulf War, petrostates were no longer focusing on their per barrel income and on preserving their most valuable natural resource for future generations, but under severe financial pressures were focusing instead on maximizing production and on re-launching the competitiveness of oil as the key energy source (372). While none of this is especially new to specialists—Daniel Yergin emphasizes the importance of the supply-demand balance in *The Prize*, for example—Garavini's analysis is clear and convincing.[52]

In addition to the limits that structural factors placed on OPEC's ability to achieve its goals, the diversity of the organization's membership often undermined its ability to act cohesively. Although they shared the fundamental interest of sovereign landlords in protecting an international rent deriving from trading a non-renewable resource, OPEC's members "did not share cultural identities, political models, or international alliances" (7). They not only spoke different languages, practiced different religions, inhabited different geographic regions, and embraced a range of political orientation, they also lacked economic ties with each other. This lack of common interests hindered OPEC's ability to function as a cartel, even though Western observers still routinely refer to it as a cartel. Its success in raising prices in the 1970s was due to the disruption and uncertainty caused by extraneous political events coupled with momentarily favorable structural factors. When it tried to operate as a cartel in the early 1980s, it failed. Indeed, as Garavini points out, its failure is not as surprising as its continued existence (359-60).

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[50] The main source for this claim is Peter Schweizer, V*ictory: The Reagan Administration's Secret Strategy that Hastened the Collapse of the Soviet Union* (New York: Atlantic Monthly Press, 1994). The claim is repeated uncritically in the entries on "The End of the Cold War" in Britannica.com and Wikipedia. In contrast, Politifact labled the claim "mostly false;" see John Greengerg, "Ronald Reagan's Son Says Hiss Father Got the Saudis to Pump More Oil to Undercut USSR, 14 March 2014, https://www.politifact.com/factchecks/2014/mar/13/michael-reagan/ronald-reagans-son-says-his-father-got-saudis-pump/

[51] Garavini's assessment draws on my article, "From Linkage to Economic Warfare: Energy, Soviet-American Relations, and the End of the Cold War," in Jeronim Perović, ed., *Cold War Energy: A Transnational History of Soviet Oil and Gas* (London: Palgrave Macmillan, 2017), 283-318.

[52] Daniel Yergin, *The Prize: The Epic Quest for Oil, Money, and Power* (New York: Simon & Schuster, 1991). Garavini describes *The Prize* as the "classic account of the history of petroleum, a [enjoyable read and the best book on the history of petroleum written from the perspective of petrocapital" (59).

Oil was too vital a commodity for industrialized countries to willingly let OPEC set price and production levels according to the interests of its members (359). Western governments, in particular the United States, worked relentlessly to undercut OPEC, though as Gregory Brew has pointed out, U.S. policy toward OPEC was complicated by close relationships with two of the organization's largest producers, Iran and Saudi Arabia. Beginning in the 1970s, and in particular after the Iranian Revolutions, the United States and Saudi Arabia have often worked together to maintain the security and stability of the international oil system.[53]

The Rise and Fall of OPEC is based on an extraordinary amount of research in primary sources, including the previously unavailable minutes of OPEC Conferences from 1960 to 1986.[54] The OPEC Conference is the main decision-making body of the organization. Although the minutes are not verbatim, but rather edited and subject to approval by the members, and there are gaps, they nonetheless provide a unique insight into debates within the organization. Garavini also draws on research from around twenty other archives in eight countries, five official document collections, several online collections of primary material, the key specialized oil industry periodicals, newspapers and periodicals in English, Italian, and French, and twenty interviews with key participants in OPEC's history.[55] He also consulted a long list of secondary sources in English, Italian, Spanish, French, and German. Although specialists will notice the absence of a few studies, the scope and depth of his research is remarkable.

The Rise and Fall of OPEC in the Twentieth Century is an outstanding contribution to the international history of the twentieth century and deserves a wide audience. Given that it is over 400 pages long, a possible avenue for making its findings available to a wider range of readers would be for the author and press to consider an abridged edition. Not only would this make the book more accessible, but it would also give the press the opportunity to address the absolutely awful copy-editing. It would also give Dr. Garavini the opportunity to correct the far too numerous minor errors in the footnotes and the few minor factual errors in the text, none of which, however, affect the validity of his overall argument. Neither the poor copy-editing nor the minor errors change my overall overwhelmingly positive evaluation of the book.[56] Correcting them, however, would enhance its value as the standard and essential work on the history of OPEC.

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[53] Gregory Brew, "The United States, OPEC, and International Oil," *Oxford Research Encyclopedia of American History* (2019). Victor McFarland covers the changing U.S.-Saudi relationship in his recent book, *Oil Powers: A History of the U.S.-Saudi Alliance* (New York: Columbia University, 2020).

[54] Dr. Garavini has made these documents available to other scholars by depositing them in the New York University-Abu Dhabi Library.

[55] Garavini states that interviews with Bernard Mommer, former Venezuelan Governor to OPEC and later Deputy Minister of Energy and Oil, and former Saudi Governor to OPEC, Majid Al-Moneef, were "crucial to my research and have deeply influenced my way of viewing things" (10).

[56] Before ending, I want to note that I have never met Dr. Garavini and have no personal connections to him. My only professional connection, aside from the fact that we both study international oil, is that I read a proposal for this book for another press three years ago. For the record, I strongly recommended publication.

Review by Ellen R. Wald, Senior Fellow, The Atlantic Council Global Energy Center

The first sign that Giuliano Garavini's *The Rise & Fall of OPEC in the Twentieth Century* is not your typical oil book is the cover art. Most books about oil prominently feature an oil well or derrick or a desert landscape with an impossibly blue sky and an oil well on the horizon. The cover of Garavini's book, by contrast, features a reproduction of a mural in a museum in Venezuela called "Los Conquistadoes y el Petroleo," showing helmed conquistadores, swords, swirls of bold color, exotic birds and finally, a snake coiled around the length of a black oil well.

This is not just a book about oil markets, the economy, and the oil industry. Scholars of energy and geopolitics will find a succinct and focused analysis of the development of Organization of the Petroleum Exporting Countries (OPEC) 'petrostates,' the organization itself and the role it played the economic and political development of the twentieth century. Scholars of development, the Global South, decolonization, and international organizations should pick up this book because it examines an organization born out of a unique mix of ideologies and economic conditions that transcended culture, language, geography, political systems, and religion that rose to challenge—successfully—an entrenched system of Western economic exploitation. OPEC, as the author argues, played influential and crucial roles in the internal economic and political developments of key developing nations in the second half of the twentieth century and therefore deserves to occupy space in the study of the non-aligned movement, pan-Arabism, decolonization, and globalization, and should not be relegated to a paragraph in histories of the Arab-Israel conflict or as the leading example in economic debates over cartelization.

A primary strength of Garavini's work is that it deftly covers the story of the rise of the oil industry in the developing world within the context of the major political, economic and diplomatic issues that impacted those countries. Complicated business and financial agreements like the 1928 Red Line Agreement (a deal between British, French and several American oil companies to divide oil resources in the Middle East), the 50-50 deals (agreements for equal profit sharing between oil companies and governments), service contracts, netbacks and the role of the 'posted-price"' are clearly explained for oil specialists and non-experts alike. For the oil and economics focused reader, the author also attends to important political movements and ideologies of the era, such as Marxism, development theory, Pan-Arabism, nationalism, decolonization and the Third Way and their respective roles in OPEC and in the development of OPEC petrostates. Perhaps the only flaw in the analysis is that while the author explains that conceptualizing OPEC within these various movements and ideologies helps complicate different narratives, the author fails to offer an assessment or, argument about what value these new frameworks add. One revelatory element is just how early the concept of conservation developed in the governments of oil producing nations. This will have particular importance to narratives of environmentalism and the role that international organizations—even ones dedicated to the exploitation of oil—play in environmentalism and conservation. However, readers are left expecting more crystallization in the areas of development and decolonization.

Readers will find the concise historical narratives of the development of the oil industries of key OPEC countries—Venezuela, Saudi Arabia, Iraq, Iran, the UAE, Libya, Angola and Indonesia—particularly useful. Garavini sticks to the key details and contextualizes the development of the oil industry within the political history of each country, making his work much easier to digest than Daniel Yergin's *The Prize*,[57] which, despite holding the position of the seminal work in the field, often highlights kitschy dialogue and events that, while entertaining, are less helpful to scholars looking to quickly gain serious insight into the development of the oil industries of OPEC nations. This book also differentiates itself by relying on sources from a wider linguistic base, and, notably, minutes from OPEC meetings that were previously unavailable to scholars and are now located in the archives of NYU Abu Dhabi.

OPEC conjures powerful memories for those in the United States, Europe, and Japan who recall the 1973 oil shocks and oil embargo. It is one of the few subjects that conjures Congressional consensus—wholly in opposition to the group (despite

[57] Daniel Yergin, *The Prize* (New York: Free Press, 2009).

compelling scholarship from Robert McNally arguing that OPEC actions actually help stabilize oil markets)[58]. But pre-1973, OPEC was not a household name. Indeed, a great deal of scholarship forgets or dismisses OPEC's pre-1973 history. The conventional understanding has been that OPEC was not a significant market force or political force until the 1973 oil shocks, despite the fact that it was founded in 1960.[59] Garavini's work convincingly challenges this assumption and argues that OPEC was a significant force from its very founding. Before OPEC rose to challenge the system that kept commodity prices extraordinarily low for consumers and made the big international oil companies (IOCs) rich, it rendered the system of 50-50 profit sharing agreements (which had become the standard agreement between oil rich countries and IOCs) effectively dead. Even though many oil producing countries did not fully own or control the oil companies that were producing the oil on their soil, OPEC made it possible for producing countries to assert "producers' right to a potentially larger share of petroleum revenues and [demand] greater involvement in the management of the petroleum industry" (125).

From the development perspective, Garavini's narrative also challenges the long-held concept of the rentier-state.[60] Thinking outside the rentier-state paradigm reveals a more expansive story analyzing the interaction between "global capitalists, sovereign landlords and sovereign consumers" (7). The book offers a convincing argument for a nuanced definition of the 'petrostate,' which Garavini defines as a state where petroleum is not the only or primary industry but one where petroleum represented the majority of government revenue (4). This definition makes it possible to compare petrostates like Venezuela, which had other profitable industries like agriculture and manufacturing, and Saudi Arabia, which, aside from religious tourism, had no notable industries other than petroleum.

One of the more hotly debated subjects amongst 'OPEC watchers' today is whether OPEC is actually a cartel. Political scientist Jeff Colgan has argued that OPEC is not a cartel and has never been an effective cartel, and should instead be considered a political club of oil producing nations.[61] Garavini's work builds on Colgan's empirically argued point with historical evidence showing that politics were at the heart of OPEC's founding and OPEC played key political roles in petrostate politics. In the end it was politics that ripped apart the OPEC that had been imagined and established by its founders. This is what is meant by the "fall of OPEC," despite the fact that the organization continues to function today and has expanded its membership from its political hay-day.

Today, OPEC remains a force in international oil finance, but its influence is primarily in the realm of commodities trading and financial analysis. OPEC meetings are more about the five-year average for global inventories and production quota compliance rates than they are about grand gestures of nationalism in the fight again economic neo-imperialism. Still, the organization's regular meetings in Vienna bring a small horde of dedicated journalists and financial analysts who chase oil ministers through cobblestone streets and jockey for a brief interview with the Saudi oil minister as he enters the building on an actual red carpet. OPEC may not be able to send the industrial world to its knees anymore, but neither is it obsolete to the global economy, industry, and finance.

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[58] Robert McNally, *Crude Volatility* (New York: Columbia University Press, 2017).

[59] Anthony Sampson, *The Seven Sisters* (New York: Bantam Books, 1991), Yergin, *The Prize*, and William L. Cleveland and Martin Bunton*, The History of The Modern Middle East* (Boulder: Westview Press, 2013).

[60] Hazem Beblawi, "The Rentier State in the Arab World," *Arab Studies Quarterly* 9:4 (1987): 383-398.

[61] Jeff D. Colgan, "The Emperor Has No Clothes: The Limits of OPEC in the Global Oil Market," *International Organization* 68:3 (2014): 599–632.

Response by Giuliano Garavini, Roma Tre University

I am delighted that Frank Gerits organized this forum and that Robert Vitalis agreed to introduce the discussion. I would like to thank the reviewers, Gregory Brew, Michael Dobson, Giacomo Luciani, David S. Painter, and Ellen Wald**,** for taking the time to read and discuss my long book. Since all of them are experts in the history of energy and petroleum, as well as researchers whose work I have consulted and learned from,[62] I am proud of both their criticism and their positive comments. The Organization of the Petroleum Exporting Countries (OPEC) turns sixty this year. It is still relegated to the footnotes of the general histories of the twentieth century, mostly mentioned in connection with the so-called 1973 oil shock' (which is itself largely associated to the 1973 'oil embargo' with which OPEC as such, as the reviewers themselves point out, had nothing to do). I think the reviews show that OPEC, as well as the petrostates that are its members, deserves a somewhat larger place in the international history of the twentieth century, especially because of the centrality of petroleum in the saga of the rise of fossil fuels. This is particularly true in a world that increasingly struggles to get rid of coal, petroleum, and natural gas as the most important primary energy sources.[63]

Collectively the commentators highlighted most of the key interventions I wanted to make with this book. I will try to address these larger issues in a general response. Concerning more specific criticism, I can only acknowledge some fair points, such as Luciani's insightful comments that I should have devoted greater emphasis to the Islamic revolution in Iran because it injected structural political instability in the cooperation among petrostates (especially among its neighbours in the Gulf); or Brew's observation that some key political events, such as the nationalization crisis in Iran (1951-1954), or the 1973 oil embargo, would have deserved more in depth analysis. Still, I think I got off quite lightly in this H-Diplo roundtable, considering the geographical and chronological scope of the book.

There are broader reflections that have been made by more than one of the reviewers, either directly or indirectly. I will briefly try to engage with them.

Painter notes that the strategy of policymakers and ruling elites in petrostates has mainly been geared to benefit what is today, and has been in the past, largely a group of authoritarian governments "interested in higher revenues, which could come from increased production and exports as well as from higher prices and a greater share of per barrel revenues". This argument echoes, among numerous similar ones, the recent comments by Thomas Piketty who describes petrostates (especially Gulf monarchies) not only as authoritarian, but among the most unequal societies that have ever existed.[64] Piketty goes as far as to argue that it would be better to manage the wealth derived from natural resource extraction globally so that it could be more fairly redistributed across the world. I think it is both a strength and a potential weakness of my

[62] Hazem Beblawi and Giacomo Luciani (eds.), *The Rentier State* (London: Routledge, 1987); Gregory Brew, *Petroleum and Progress: Oil, Development and the American Encounter with Iran, 1941-1965* (currently under review); Michael Dobson, "Revisiting OPEC's Democratic Roots in the Age of Climate Emergency", in *E-International* Relations, 17 January 2020; David Painter (*Oil and the American Century: The Political Economy of US Foreign Oil Policy, 1941-1954* (Baltimore: Johns Hopkins University Press, 1986); Robert Vitalis, *Oilcraft: The Myths of Scarcity and Security That Haunt US Energy Policy* (Stanford: Stanford University Press, 2020; Ellen A. Wald, *Saudi, Inc: The Arabian Kingdom's Pursuit of Profit and Power* (New York: Pegasus Books, 2018);

[63] According to BP's *Statistical Review of World Energy 2020*, oil represented in 2019 33% of global energy consumption, followed by coal (27%) and natural gas (24%). Renewables represented in 2019 only 5% of global energy consumption.

[64] Piketty notes that, according to some estimates, the richest 10 per cent of the population appropriates between 80 and 90 per cent of the national wealth in the United Arab Emirates (UAE) and Qatar, making them the most "unequal" societies in world, on a par with the most unequal "slave societies" of the past. Thomas Piketty, *Capital et ideologie* (Paris: Seuil, 2019), 763. It is unclear to me how Piketty gets his numbers, considering how difficult it is to have reliable social and economic statistics for Gulf monarchies. For a more reliable, and historicized, assessment of the impact of oil wealth on petrostates (in this case Venezuela) I strongly suggest: Asdrúbal Baptista, *Teoría Económica del capitalismo rentístico* (Caracas: Banco Central de Venezuela, 2011).

book that I try not to engage too deeply with the way the oil wealth has been redistributed *within* the boundaries of petrostates. I show that petrostates consistently struggled for more than half a century to appropriate the oil rents deriving from the exploitation of a non-renewable natural resource, defying the tremendously powerful interests of the largest industrialized countries, and of mammoth commercial and financial entities such as the oil majors. I don't agree with arguments *à la Piketty*. The globe is split up into nation states. This being the case, each of them is responsible for the management of the natural resources that are extracted within its borders, independently from the political regime that rules over them. One cannot selectively 'globalize' the management of key natural resources while preserving at the same time national sovereignty over the military, welfare, technology, intellectual property and so on. I would also add: Yes, most petrostates are unequal and authoritarian, and this certainly influences the way they manage natural resources. However, this is not the case for all of them and their regimes have varied greatly during the 20th century.

Wald, while appreciating the effort I made to contextualize key decisions by OPEC members within the ideological and political climate where they took place, points to the fact that prominent concepts such as "development", "Marxism", "conservationism", "decolonization" are not sufficiently analysed. Many comments specifically refer to the link I tend to establish between OPEC and 'conservationist' policies. Brew rightly points to the fact that there is little theoretical debate in my book about what natural resource conservation actually means. This lack of a clear definition probably stems from the fact that when I started writing the book I never imagined to associate conservationist policies to petrostates or to OPEC: I was only interested in the impact of OPEC's decisions on industrialized countries such as my own. The whole 'conservation' issue came as a surprise. Has OPEC ever been an 'ecological force,' as dreamt by the Venezuelan Oil minister and OPEC founder Juan Pablo Pérez Alfonzo? Has OPEC really played the game of natural resource 'conservation'? I argue that OPEC more or less consciously has played an ecological role (or even better, an 'environmental' role) in the early 1970s, as exemplified by the fact that the oil shock (or 'oil revolution' as it is defined in my book) of 1973 triggered efforts to diversify energy sources and to encourage energy efficiency, eventually leading for the only time in the twentieth century to a reduction in global petroleum consumption. Both Brew and Painter note the importance that I attribute to the Iranian Finance minister Jamshid Amouzegar's remarks in 1974 about the necessity of increasing oil prices to reduce energy "overconsumption" by the industrialized countries. None of the reviewers points to the footnote in which I quote Amouzegar explaining at an OPEC Conference in June 1974 the famous decision in December 1973 to fix the posted price of petroleum at precisely $11.65 per barrel:

> Iran had sent missions to various parts of the world and had found that the cost of developing alternative sources of energy such as tar sands, shale oil and atomic energy varied anywhere from $7 to $12.50 per barrel. Therefore, it had been argued that if they wanted to divert investments of the rich countries of the world into the development of these other sources of energy, the price should at least be comparable to its closest substitutes (226).

I think this is probably the most credible and authoritative historical source I know of clearly explaining the rationale of one of the key economic decisions of the twentieth century.

It is true that conservation has not always been a primary concern for OPEC governments. Brew underlines the contradiction that while minister Amouzegar blamed industrialized countries for "overconsumption," the Shah still wanted to boost Iranian oil production by the end of the 1970s. Such contradictions between 'conservationists' and 'developmentalists' were present from even before the very founding of OPEC within all the petrostates. It should be noted that while OPEC and the petrostates experienced a fierce internal debate, the International Energy Agency (IEA), an alliance of 'Western' countries created to contrast OPEC's power in 1974, has never argued that the oil supply should be curbed and has always pledged to guarantee consumers cheap and abundant oil and gas. The argument that the increase in prices in the 1970s was a win-win bet for petrostates is countered by the material in reading Fadhil Chalabil's memoir, a key OPEC policy-maker and Acting OPEC Secretary-General from 1978 to 1989, who consistently opposed significant crude price increases both in December 1973 and in 1979 because these would have encouraged consumers to diversify (which they did) and would have steered industrialized countries away from considering petroleum as a their most reliable energy source (which they did, at least in the short term).[65]

Some of the reviewers rightly point to the fact that in this book, as in other specialist studies, OPEC is never defined as a "cartel." OPEC was not born as a cartel; nor did it ever really become one. Here I think none of the reviewers explicitly engage with the broader argument I tried to make. OPEC is not a cartel because it is an alliance of sovereign landlords, whose main interests lie in preserving a resource rent that was also perceived as a strategic 'developmental' tool. My book could be read as a statement that nature plays a significant role in international diplomacy, probably one that it as significant as ideology or military power.

Dobson thinks that some lessons from OPEC's history can still be useful today, as we are starting to think in terms of 'supply-side' climate policies. Policies to limit fossil fuel extraction are increasingly considered complementary to the various 'green deals' based on incentives to transition towards renewables, and to carbon taxes to discourage fossil fuel consumption. I agree with him that some OPEC policy-makers such as Pérez Alfonzo, whom he mentions, deserve to be studied in depth also by environmental historians and by 'supply-sider' environmentalists. But can OPEC set a positive environmental example even today? I think the main lesson derived from my book today is that two ingredients, which are not very handy today, are necessary in order to successfully restrain oil production in OPEC countries. The first is an internal political and intellectual climate within petrostates that attributes to petroleum a key role both for its impact on national welfare and on the international economy. This is contradicted today by the prevailing tendency, including in crucial petrostates such as Saudi Arabia, to privatize the petroleum sector and treat oil as a commodity among others. The second ingredient is that there has to be some degree of international cooperation, including non-OPEC producers such as Russia and key oil consumers such as the United States or China, that would not leave OPEC alone in managing production cuts, while the rest of the world free-rides on OPEC's self-imposed quotas, or takes the opportunity of low crude oil prices to increase carbon taxes on products.

All the reviews have pointed out the importance of the Minutes of the OPEC Conference which can now be consulted at NYU Abu Dhabi and were not previously available. Even though they are edited sources, they are revealing in topics well beyond the realm of oil policy. A strong limitation of my own work derives from not being able to read key languages of OPEC members, such as Arabic or Persian. This would have helped me to better understand the nuances in the internal debates and political struggles of countries such as Saudi Arabia and Iran.

Finally, rereading small sections of the book, I have been horrified by the copy-editing that Painter and Brew rightly define as 'appalling'. Oxford University Press, a publisher with which I had no similar problems in the past, assured me that it will deal with this in the paperback edition. In the meanwhile I apologize to those who paid for a product that should have conformed to much higher standards of quality.

[65] This argument runs through all of Chalabi's memoir: Fadhil J Chalabi, *Oil Policies, Oil Myths: Analysis and Memoir of an OPEC insider* (London: IB Taris, 2010).