

DHP D267
THE GEOPOLITICS OF ENERGY IN THE ASIA-PACIFIC REGION
THE FLETCHER SCHOOL OF LAW AND DIPLOMACY
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OFFICE: CABOT 603

OFFICE HOURS: Tuesdays and Thursdays, 11:00 a.m. – 12:15 p.m., or by appointment.

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I. COURSE DESCRIPTION

DHP D267 is a course aimed at developing a structure for understanding the new geopolitics of energy created by the collapse of the Soviet Union in 1991, the rapid industrialization of Asia Pacific Nations and the impact of new technologies affecting the oil and gas industries on a world-wide basis. Contemporary events in this new complex of frontiers in Central Eurasia was created by the collapse of the Soviet Union in 1991 and other important events. The overall impact of this new event is the alignment of areas, and oceans seas runs eastward from the Barents Sea perpendicular fashion to the north south orientation of the Strategic Ellipse to include the Arctic and Siberian reservoirs and then bend south west to include the Asia Pacific oil and gas regions before bending south west to reach south eastern portions of China, the east Asian oil and gas producing nations in Indonesia and finally to Australia. Those who use the National Geographic atlas for the organization of their terrestrial thoughts will not have difficulty with this organization of space. A good portion of this territory space is steppe, dry-desert and cold mountain ranges. It can be an uninviting land for travelers and it seems to have little potential for tourism unless one has some connection to Genghiz Khan and Joseph Conrad.

In early modern times the geopolitical importance of this is continental space was technologically outflanked by European sailing ships until the arrival of the industrial era and the discovery of large quantities of oil and gas in the center of Eurasia. Promptly admirals and generals created a new global setting for Eurasian politics that did include maritime spaces along the edges of the Atlantic, Indian Ocean and the eastern Pacific rim of China. Geo-politicians then reframed their arguments around how the control of the sea was not enough. The new organization of space had to produce an Indo/Pacific maritime land and sea frontier as part of the geopolitical framework for an international politics known either as the Great Game or /Cold War. In our time the accelerated forces of modern industrial technologies have radically recast the geo-politics of Eurasia; and the difference between land and sea politics is now muted because the Prize is not land or silk or spices but petroleum.

Why the course starts with the last decade of the twentieth century has much to do with what happens when one of the world's largest producers of oil and gas experienced a political collapse: the disintegration in 1991 of the Soviet Union. This epochal event shook up the global

political and economic order that connected the USSR and Europe and Asia. In the last decade of the twentieth century Western Europe was largely dependent on the USSR for approximately 30 percent of its consumption of natural gas. This was a very large figure for an area of the world internally networked into rural, urban and transnational connections. When the disputes between Ukrainian and Russian over energy issues ballooned into warfare between the Russian Federation and the Ukraine in 2014, security officials promptly drew attention to how the conflict threatened all Russian gas lines supplying major European markets. The power of this new instability probably contributed to the Russian invasion of the Crimea on one hand and on the other reinvigorated a European search for the diversification of supply of its petroleum demand.

If one examines the map of oil and gas projects after 1991, it is very clear that the energy business is indeed a global affair; and we must fit our analysis of Eurasian energy security concerns within a global framework. Here, one big reason for a large-scale approach is that the collapse of the Soviet Union roughly coincided with elite decisions in China and India to engage in massive modernization projects. This task will require the importation into both Asian countries of increasingly large quantities of oil and gas. Both China and India are not gifted with large petroleum reserves. Rather the nearest supplies of exportable petroleum products are in Russia and in some of the unstable new states along the southern boundary of the former Soviet Union. Thus, there is reason to believe policy planners in China and India and other states shaped their countries new foreign policies to anticipate serious challenges to the land and sea lines of supply for meeting new Asian energy demands. We will underline the scale of this happening: it is very large; and any major disruption of Eurasia's supply of oil and gas can encourage great power action to turn the lights on...quickly.

There is little disagreement among scholars that one of the forces behind the dynamics of institutional change on this new frontier is the disruptive impact of accelerated technological developments on society in general and especially on the very diverse pre-industrial cultures of the Asia Pacific region. This is an area of concern that usually escapes the consideration of those who are responsible for military operations. We will consider the violence associated with rapid institutional change as one of the major threats to the production and distribution of energy.

We may be successful at capturing a knowledge of modern revolutionary change if we start with the global rate of innovation in the petroleum industry. Scholars generally agree that this industry is experiencing a new wave of accelerated technological change. Since the oil business in Eurasia and the world is a very large, highly complex, and extraordinary lucrative system, we will only be able to select a few examples of its internal development to make our point that the human ability to control great forces is now on the now on the out in the open and both land and sea in the Asia Pacific region. The most familiar examples of technical dynamism are fracking, horizontal drilling, offshore operations, and Big-Data application to improving production and so on. What characterizes all these technical achievements is the willingness of international investors to supply huge financial resources often in the form of medium and long-term investments for risky technical projects such as recovering oil and gas from deep off-shore fields such as the Kashagan oil field in the Caspian Sea, the Kara Sea discoveries in Siberia and the complex South Pars/North Dome gas fields in the Gulf. In summation, the wealth producing character of this industry, the forthcoming energy demands from large Asian States and rates of

technological change will make it difficult for governments to manage the resulting social and cultural upheavals of the current era within a short period of time.

II. FORMAT

The class will meet Tuesdays and Thursday from 9:40 a.m. to 10:55 a.m. Lectures are organized to add a preliminary line of analysis on issues fundamental to understanding the course of events in Central Eurasia. Most of what we do in the classroom will proceed from recent scholarship. However, all of us must realize that the populations we study are passing through a revolutionary period that we are only beginning to understand. We all will probably benefit from an opened minded approach to the complex nature of recent institutional change in Central Eurasia.

Students will be expected to come to lectures having done the relevant assigned readings and prepared to participate in discussion and debate.

Students are also encouraged to join the Southwest Asia and Islamic Civilizations organization. Student groups sponsor lectures, seminars and social events outside the classroom that support the SWAIC effort to understand this complex region of the world. This includes viewing recent documentary evidence of political instability and social/cultural change.

My office hours are on Tuesday and Thursday in Cabot 603 from 11 am to 12:15 pm. If that time is inconvenient, please see my assistant, Ms. Roxanne Collins, to schedule an appointment. Tel: 617-627-2734 or email: Roxanne.Collins@tufts.edu. For other questions, concerns or technical problems with readings or PowerPoint slides, please contact my teaching assistant for the school year, Greg Ussery, at Gregory.Ussery@tufts.edu.

The final grade for the course will be based upon the following:

- 15 percent for the mid-term exam
- 70 percent for the final exam
- 15 percent for participation

III. COURSE READINGS

All readings will be available either in the Ginn library stacks, in the Ginn reserve or via Canvas. Key texts will also be available for purchase at the Tufts Bookstore. If you have difficulty getting at the readings, please see me.

DIPLOMACY 267

PART I

INTRODUCTION TO THE GEOPOLITICS OF ENERGY INSECURITY ON THE ASIA PACIFIC FRONTIER

Jan. 18, 2018

LECTURE 1

Where is the Asia Pacific Frontier

Discussion Question: Why is the Asia Pacific such an important part of modern energy geopolitics and why is its current situation so dynamic?

Assigned Readings:

There is a major energy connection between rapid economic development and military affairs, see www.vaclavsmil.com/wp-content/uploads/dos/smil-artoca;-2004-war-and-energy.pdf; other scholars that underline the energy involvement in an era of rapid technological change are Yergin, *The Quest*, pp. 1-34; Khanna, *Connectography*, pp. 1-34; Kiergensmeyer, *Terror in the Mind of God*, pp. xi-15.

Jan. 23, 2018

LECTURE 2

The Changing Geopolitics of Energy Security

Discussion Question: Why does the geography of energy security change so quickly and involve so many new issues.

Assigned Readings:

Nikolas K. Gvosdev and Christopher Marsh, *Russian foreign Policy* (Los Angeles, Sage Publications. 2014). Pp. 27-65; Kaliki and Goldwyn, *Energy and Security* pp. 69-87; and ec.europa.eu/priorities/energy-union/docs/energyunion-en.pdf. (A Framework strategy for a Resilient Energy Union with a Forward-looking Climate Change Policy); and for the importance of choke point security, see <https://www.eia.gov/todayinenergy/detail.php?id=18991>.

Jan. 25 2018

LECTURE 3

The Arctic, Baltic Sea and Eastern Europe: Regional Security in Frozen Spaces

Discussion Question:What are the Energy advantages of developing the Arctic?

Assigned Readings:

Peri Pamir addresses this problem in “Nationalism, Ethnicity and Democracy: Contemporary Manifestations”. This argument is available at www.gmu.edu/programs/icar/ijps/vol2-2/pamir.htm. For a recasting of the competition between Russia, Eastern European States and US see, Angel E. Stent, *The Limits of Partnership* (Princeton, New Jersey, Princeton University Press, 2014), pp.1-48; and The Energy Research Institute of the Russian Academy Sciences, *Global and Russian Energy Outlook up to 2040* available at www.erivas.ru/files/2014/forecast_2040_en.pdf, pp 88-94. Gvosdev and Marsh, *Russian Foreign Policy*, pp. 276-279; for Exxon, Russian , US relations on oil production, see <http://www.cnbc.com/2016/12/13/exxon-mobil-could-tap-huge-artic-assets-if-us-russian-relations-thaw.html>.

Jan. 30, 2018

LECTURE 4

Defrosting the Top of the World

Discussion Question: What contribution will the Artic make to the income of Russia?

Assigned Readings:

Scott Borgeson; www.crystolenergy.com/assessing/-future-north-sea-oil-gas/
<https://www.foreignaffairs.com/artic-antarctic/2008-03-02/artic-meltdown>. And Kalicki and Goldwyn, eds. *Energy and Security*, pp.205-220; to learn evidence of the negative consequences of oil and gas production in the Arctic see www.greenpeace.org/international/en/campaigns/climate-change/artic-impacts/The-dangers-of-Artic-oil/Black-ice-Russian-oil-spill-disaster/ On oil production in the Russian portion of Arctic, see, https://en.wikipedia.org/wiki/Petroleum_exploration_in_the_Arctic.

Feb. 1, 2018

LECTURE 5

The Asia-Pacific Demand for Fuel

Discussion Question: Where can the major current demand for fuel be satisfied for major Asia/Pacific consumers?

Assigned Readings: Two Oxford Institute papers deal with India and Chinese demands for fuel: Sen, A. (2016). “India Oil Demand: On the Verge of “Take Off”?” Oxford Energy Paper, Oxford Institute for Energy Studies, March. Available at <http://www.oxfordenergy.org/2016/03/on-the-verg-of-take-off/>. And Meidan, Midhal (2016). “The structure of China’s oil industry. Oxford Energy paper, Oxford Institute for Energy studies, May. Available at <http://www.oxfordenergy.org/2016/05/past-trends-and-future-prospects/>. The Central Eurasian response to the eastern demand for gas is the construction and operation of the Central Asia-China gas pipelines. The first of these projects was commissioned in 2009.

Feb. 6, 2018

LECTURE 6

Policy Making in US: The Arrival of the Pivot Toward Asia

Discussion Question: What is the Pivot toward Asia?

Assigned Readings:

The Pivot toward Asia is about the character of the statecraft necessary for meeting the security concerns for a major shift in production and consuming of oil and gas from the center of Eurasia to the East. From a global point of view this is a huge affair. Here we will look at the discussion in the US with the idea in mind that the impact on the US of shale oil production was not fully known. It also was the case that Russia had not recovered from the collapse of the Soviet Union in 1991 when this issue came up see Gvosdev and Marsh, *Russian Foreign Policy*, pp. 293-363; Kurt Campbell, *The Pivot*, pp. 1-32.

Feb. 8, 2018

LECTURE 7

Scale and Scope of the New Eurasian Security Map for the Supply of Fuel to East Asia

Discussion Question: How will the additional supplies of oil and gas meet Asia Pacific demand?

Assigned Readings:

See Richard Giragosian at <https://www/iags.org/n0813042.htm>. For the scope of the new energy security system for East Asia, see, Geoffrey Kemp, *The East Moves West* (Washington DC, The Brookings Institution Press, 2010), pp. 3-102; for the maritime connectivity from Europe to China for the new gas discoveries in the eastern Mediterranean basin see <http://www.gmfus.org/publications/gas-discoveries-eastern-mediterranean-implications-european-union>. The strategic importance of the Suez Canal is addressed in <http://www.globalecurity.org/military/world/egypt/suez-canal.htm>.

Feb. 13, 2018

LECTURE 8

The Indian Ocean Rising Importance

Discussion Question: What is the relationship between the large-scale production of oil and gas in the Arabian/Persian Gulf and Indian Ocean maritime security?

Assigned Readings:

The Indian Ocean's northern maritime routes connect the production of oil and gas from the center of the Strategic Ellipse to east Asian markets from China to Japan. But this route passes through or along highly populated areas of Eurasia where it is relatively easy to disrupt the flow of valuable cargoes of oil and gas. The modern vulnerability of this region began with an increase in piracy and continues on in the present as a target for major state interference in the movement of valuable products in both strategic and financial terms. See John Garofano and Andrea J. Dew, eds., Deep Currents and Rising Tides, The Indian Ocean and International Security (Washington, D. C., Georgetown University Press, 2013), pp1-48; for security issues concerning the protection of sea lines of communication for tankers moving to the eastern Pacific coast of China see Bonnie S. Glaser at [www.cf.org/asia-amd-\[acofoc/armed-clash-south -China - sea /p27883](http://www.cf.org/asia-amd-[acofoc/armed-clash-south -China - sea /p27883).

Feb. 15, 2018

LECTURE 9

East Asian Lines of Communication from Australia to Japan

Discussion Question: How do countries in the region view sea lines of communication as security issues?

Assigned Reading

For northeastern Asian security considerations see the Australian Strategic Policy discussions concerning the protection of sea lines of communication that do not pass through the Strait of Malacca, <https://www.aspi.assets/pdf-file/0012/15321/131022-NE-Asis-Defense-and-Security - Forum-Report.pdf>. For a long run evaluation of the importance of these lines of communication see Parag Kanna, Connectography, pp.137-323.

Feb. 20,2018

LECTURE 10

Eurasian Backlash to Modernity and the Explosive Demand for Energy (1979-2018)

Question: Is the Iranian Revolution an event isolated from the global demand for energy?

Assigned Reading;

We consider that the rising tide of violence in the center of Eurasia after 1979 is connected to other forces at work in the history of the Globe to increase the demand for energy and thereby encourage the struggle over the sources of supply of oil and gas to a position where we have something historians refer to as a turning point. Note most American see 9/11 as the turning point.

For a discussion of the various usage of the term turning point see Niall Ferguson's comments in www.nytimes.com/2012/11/30/opinion/global/niall-ferguson-turning-points.html. For the military involvement of great and small powers, see Andrew J. Bacevich, America's War for the Greater Middle East, (New York, Random House, 2016), pp. 201-294. Khanna, Connectography,

pp. xv-60 and Mark Juergensmeyer, Terror in the Mind of God (Berkeley, University of California Press, 2003), pp.61-84 covers other institutional developments considered to be part of the Globalization process.

Feb. 27, 2018

LECTURE 11

On the Power of the Backlash: Iran's Experience

Discussion Question: Why has Iran, a state with substantial oil and gas reserves, had such a difficult experience with the modernization process?

Assigned Reading:

For Iran's complicated response to Globalization and energy security see Suzanne Maloney, Iran's Political Economy Since the Revolution (New York, Cambridge University Press, 2015), pp.368-427; for a discussion of how the Blowback effect of rapid Globalization produces sectarian divisions in the Gulf, see Banafsheh Keynoush, Saudi Arabia and Iran, Friends or Foes? (New York, Palgrave Macmillan, 2016), pp. 175-238; and consult Hamad H. Albloshi, The Eternal Revolution: Hardliners and Conservatives in Iran (New York, IB Tauris, 2016), pp. 135-141.

March. 1, 2018

LECTURE 12

The Global Position of China's Energy Demand

Discussion Question: Under what conditions did the Chinese begin their rapid modernization of the country?

Assigned Readings:

Grigas, Agnia, The Geopolitics of Natural Gas, Ch. 7, pp. 234-269.

O'Sullivan, Megan, Windfall, Ch. 10, pp.212-248.

The best short calculation of China's energy position is current eia analysis, see <https://www.eia.gov/beta/international/analysis-includes/countries-long/China/china.pdf>.

March. 6, 2018

LECTURE 13

Indonesia the Hub of Asia Pacific Supply Lines of Communication

Discussion Question: What is the main reason for the strategic importance of Indonesia where the supply of energy matters?

Assigned Readings:

<https://www.iea.org/countries/non-membercountries/indonesia/> contains two peer reviews of Indonesia's energy policies as well as information on the current oil production of the country and the size of its population.

March 8, 2018

TAKE HOME MID-TERM EXAMINATION DISTRIBUTED

LECTURE 14

Australia and the arrival of a major LNG producer in the Asia Pacific domain.

Discussion: Why is the arrival of an LNG producer in the Asia Pacific region be a positive event for the efficient production of energy?

Assigned Readings:

Australia may overtake Qatar in the production of LNG in 2019. Its main market is in the East China/Japan markets. See <https://www.eia.gov/todayinenergy/detail.php?id=33412>. Kalicki and Goldwyn, Energy & Security, pp. 312-316.

March 13, 2018

LECTURE 15

Ports – Gateway to the Global Economy

Discussion Question: Where are the region's most important ports and what roles do they play in hydrocarbon trade and economic development?

Assigned Readings:

TBA

March 15, 2018

LECTURE 16

South China Sea as an Arena for Great Power Competition

Discussion Question: Is the South China Sea becoming more or less contentious between the US and Chinese navies?

Assigned Readings:

TBA

March 27, 2018

LECTURE 17

China's One Belt One Road Initiative and its Westward Expansion

Discussion Question: How is China looking to diversify its supply routes through connections to Central and Southwest Asia?

Assigned Readings:

Erica Downs, "China's National Oil Companies Reutrn to the World Stage: Navigating Anticorruption, Low Oil Prices, and the Belt and Road Initiative", all.

March 29, 2018

LECTURE 18

The US

Discussion Question: How has technological innovation changed the US energy industry and what are its global implications?

Assigned Readings:

Grigas, The New Geopolitics of Natural Gas, Ch.2, pp.59-94

O'Sullivan, Windfall, pp. 83-145

Kalicki and Goldwyn, Energy & Security, pp. 327-342

April 3, 2018

LECTURE 19

Oh Canada!

Discussion Question: What policy should Canada follow regarding its oil and gas exports, especially given the growth of LNG?

Assigned Readings:

TBA

April 5, 2018

LECTURE 20

South America

Discussion Question: What is the main impediment to energy cooperation in South America?

Assigned Readings:

Anouk Honore, South American Gas Markets and the role of LNG, pp. 14-81

April 10, 2018

LECTURE 21

Central America

Discussion Question: Will Central America be influenced by the pivot to Asia?

Assigned Readings:

Kalicki and Goldwyn, Energy & Security, pp.344-357

TBA

April 12, 2018

LECTURE 22

Military involvement and interest in energy affairs.

Discussion Question: ?

Assigned Readings:

TBA

April 17, 2018

LECTURE 23

Environmental impact: Air pollution

Discussion Question: ?

Assigned Readings:

TBA

April 19, 2018

LECTURE 24

Environmental impact II: Climate change

Discussion Question:

Assigned Readings:

TBA

April 24, 2018

LECTURE 25

Education: Keeping pace with development.

Discussion Question:

Assigned Readings:

TBA

April 26, 2018

LECTURE 26

Conclusions and Takeaways

Discussion Question:?

Assigned Readings:

TBA

TBA

FINAL EXAM