

Toyin Falola and Ann Genova, *The Politics of the Global Oil Industry: An Introduction*, Westport, Con: Praeger, 2005. ISBN: 0-275-98400-1 (cloth), 262 pp. with maps and index.

This publication by Falola and Genova seeks to serve as an introduction to the global oil industry by highlighting the important aspects of the industry, and the countries, companies and people who influence oil developments. Three arguments run throughout the book, namely that oil is a complex international issue, the intricate connection between oil and politics, and that oil has brought a mixture of blessings and curses to oil-producing states. The authors use information from seven of the eight biggest global oil producers (Iraq, Mexico, Nigeria, Norway, Russia, Saudi Arabia and Venezuela) to expand on these and other arguments. The book is divided into three sections. Part 1, entitled "The Players", provides a basic description of the main aspects of the oil industry, and short discussions on oil companies, oil-producing countries, and OPEC and other international oil organizations. Part 2, on the other hand, moves away from the players and focuses on the issues that have come to dominate the industry in recent years and how the players reacted to these issues. In this section the relationships between oil and international politics, economic development, human rights, and environmental management are explored, and the authors discuss new developments aimed at improving the human rights and environmental management track records of the industry. The book concludes with Part III in which a short overview is provided of each of the seven country case studies.

Falola and Genova succeeded very well in producing an introductory work on the global oil industry in which the main issues, concepts, practices and players are discussed in very plain, straightforward language. This makes the book very accessible to students studying the oil industry for the first time, and general readers trying to make some sense of the changing nature of the oil industry and how it influences their lives. This is also the stated target audience for the book (p. xi). The general nature of the book, along with its lack of depth, makes it rather unattractive to the oil specialist for whom there will be few revelations and a number of puzzling omissions. One such omission concerns the

discussion of the 1973 Oil Crisis and Arab Oil Embargo (pp. 71-79) in which the authors fail to focus on the historic breakdown of negotiations between OPEC and the major oil companies in October 1973, which in turn led to the unilateral increase in the posted price of oil to US \$5.12 per barrel. This price increase combined with the Arab Oil Embargo to form the 1973 Oil Crisis. The authors also failed to explore the security implications of this crisis, the impact it had on emerging environmental concerns, which were pushed to the back, and how the Oil Crisis directly resulted in the commencement of oil exploitation in the sensitive Alaskan environment despite strong opposition from environmental groups.

The book is strongest on its analyses of oil politics in the 1960s, 1970s and 1980s, and on recent developments in Iraq and the Russian Federation. It fails, however, to explore the radical changes in the global oil industry following the First Gulf War (1990-1991) which placed oil back onto security agendas, sparked new rounds of oil exploration globally, and led to Western diversification away from the Middle East. This process intensified after 11 September 2001, an event the authors do not even consider in their analysis. The demise of OPEC's control and the role of political instability in oil pricing, are relatively unexplored in the text, while the discussion on the drastic price increases since 2004 takes place in only two pages (pp. 175-176), that fails to adequately analyse the role of hedge funds, the financial markets, and political instability in pushing up the price of oil.

Due to the general nature of the book, a great deal of relevant information is either left out, or reduced to uncomplicated arguments. In the chapter on environmental concerns, for example, the authors rather optimistically discuss the governmental and corporate responses to environmental concerns and demands to reduce the detrimental environmental impacts associated with the oil industry (pp. 110-113, 115-117). This discussion never ventures into a critical discussion of corporate environmental management, it does not consider active attempts by the oil industry to hijack environmental initiatives since the 1990s, especially through the Global Climate Coalition, and the ultra slow greening of the industry that, in too many cases, still needs to make a real impact on the ground. Much more should also have been made of the

development role of multinational companies in the developing countries, and why these companies are expected to perform what are essentially traditional governmental roles. Readers should also note that the islands identified as the Orkney Islands on the Norway map (p. 204) are in fact the Shetland Islands, that Ken Saro-Wiwa was never nominated for the Nobel Peace Prize (p. 129) but received the Right Livelihood Award in 1995, which is often considered to be the alternative Nobel Peace Prize, and the Shell-BP Petroleum Development Company of Nigeria Limited was registered in Lagos on 10 September 1951 and not 1946 (p. 199).¹

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¹ British Petroleum Archives (Coventry, England), BP 119293: Registration certificate of the Shell/D'Arcy Petroleum Development Company of Nigeria Limited, formed 10 Sept 1951 in Lagos.