

A Book Review of Energy Politics by Brenda Shaffer

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Energy Politics by Brenda Shaffer

Authored by Brenda Shaffer and published by the University of Pennsylvania Press in the year 2009, the book; *Energy Politics* offers any reader interested in energy and how it affects economies and international relations a lot of valuable information. The book tackles major areas that include: international relations, economic policies and their roles in energy trade, public policy and its relation to energy, political science and security as it relates to energy. Shaffer seeks to establish the inseparable link between politics, especially with regard to international politics, and energy. Admittedly, energy forms the basis of almost every activity in today's life. Because of its vitality, having more energy resources becomes a mode of determining richness and security status of a country. Energy wealth is used to establish regional collaborations between states, at the same time; it intermittently sparks war between producers and consumers of energy or both groups in occasional instances.

In *Energy Politics*, Shaffer goes out of her way to explore unexplored fields in relation to energy. Confessedly, a lot of texts have been authored on the role of oil in international politics and security. Nonetheless, not many authors did explore natural gas and its role in influencing international politics before Shaffer. Shaffer reviews emerging issues like climatic implications of energy use and various resultant repercussions of energy and its politics on a global spectrum. She analyzes energy oriented conflicts and shows clarity of the various factors that interact to instigate them. Similarly, she reviews security related issues that emerge from production and consumption of energy. She does not stop at this point, but goes ahead to explore policies that would work wonderfully well in combating the controversial issues that arise from energy and related politics. She winds up her text by providing an insight into the modulus of interaction in six regions which are considerably the largest energy producers and consumers in the world.

Within 200 pages, and in an introduction, twelve chapters and a conclusion, Shaffer presents an insight into the ever increasing position of natural gas and its resultant connotation in the field of energy. She shows consistency in establishing major issues between all stake holders in energy politics; including producers of energy, consumers of energy and how the policies that govern their interplay are formulated. She does extensive research and responds to most of the questions that frequently arise in energy related politics. Additionally, she shows the role played by other states who only involve in the transit of energy from one region to another. Endowed with academic research and wonderful presentation skills, the book *Energy Politics* by Brenda Shaffer provides an outline that would act as a guide to academicians, politicians, economists and policy makers relating with the 21st century energy and politics related to it.

Shaffer's introductory text covers the first eighteen pages of the book. By citing an example of the war in Iraq, she begins by the assertion that several governments and political leaders have inseparable interests in oil in particular and energy in general. She goes ahead to affirm that the link between energy and politics is central and admittedly inseparable. Possession and trade in energy is a basic determinant of nations' economic status, environmental stability and national security.¹ She gives a number of reasons for the existing nexus that links energy and politics. Energy is a key player in the establishment of local and foreign policies of trade in several nations. She points out that resource nationalism; where governments tend to nationalize even private companies is a common phenomenon in tight oil market situations for states that produce oil. She further posits that trade restrictions on oil exportation is almost never effective. This is because most of the exporting countries continue to export throughout, only with the

¹Brenda Shaffer, *Energy Politics* (Philadelphia: University of Pennsylvania Press, 2009), 1.

consumers implementing these restrictions at times.² Stating the use of energy weapon, she posits that the act of disconnecting energy supply by transit countries through which pipelines and other energy transfer infrastructure are located is common. She cites cases of Ukraine and Belarus denying Russia access to oil and gas through this process.³ Other than stating the vulnerability of the physical security of energy trade, she ascertains distinguishing development characteristics of energy exporting nations. Through a horst of several other factors, the text authenticates the inseparability of energy and politics in the modern world.

Under the title '*Energy and regime type*,' chapter one of the book places much focus on oil exporting states. The impact of exportation of energy on each economy is given a keen review with clear distinctions of the responsibility performed by the state on the exportation circle.⁴ Major categories in the practice include energy producers and energy exporters. Energy exporters are further divided into exporters and major exporters depending on the percentage of gross domestic product contributed by energy exports to the state. From Shaffer's point of view, due to the existence of constantly soaring and descending revenues from oil, economies of energy exporting countries tend to be relatively unstable. She posits that the general economic welfare of energy rich and exporting states is worse than that of energy poor states. The reasons given for this is the adoption of nationalistic tendencies and poor economic policies.⁵ Nonetheless, many of the states are trying to adopt a remedial trend by establishing oil revenue funds to help raise other economic sectors within the states. Most of major oil producers have illegitimate governments that are characterized by lack of democracy and dictatorship in

² Ibid. 4.

³ Ibid. 5.

⁴ Ibid. 19.

⁵ Ibid. 23.

rule. This is because they gain much of their resources from the natural resources and do not have to levy heavy funds on their citizens in order to remain operational.

Chapter two of the book majorly deals with the subject of foreign policy in the context of energy. All energy importing states tend to develop strategies that enhance security of their supply; this is done by assuring the exporting states of the provision of a stably available market for their export.⁶ At the same time, the exporting states tend to screw their national policies in directions that ensure them a continued supply of market. This chapter takes note that due to infrastructural advancement in energy network, better efficiency and improved modes of transfer prevent possibilities of energy cutoffs for energy importing states. Therefore, energy is seen to influence foreign relations and policies of all exporting, importing, and transit states.⁷ Many states seek to nationalize energy companies with the aim of tapping in more of the gains made from energy trade. Nonetheless, Shaffer notes that after the nationalization, performance efficiency of such companies reduces due to decrease in technology and professional management. Consequently, energy production and subsequent profits from energy sales reduce tremendously.⁸ Most countries that nationalize energy companies also mention concerns of environmental issues as well as indigenous resource right endowment. A given example of a state that has commonly used such reasons to develop nationalization policies is Libya.⁹ Even though this policy may work well for the government locally and domestically, it is internationally unviable as it scares investors and potential international business partners in energy. This chapter also notes the fact that since the 1970s, natural gas has gained quite a large amount of share of the energy market. The volatility and susceptibility of issues relating to

⁶Ibid. 28.

⁷Ibid.

⁸Ibid. 31.

⁹Ibid. 32.

natural gas influencing politics are higher compared to other forms of energy. This is because infrastructural requirements for trading natural gas are quite costly. Due to this, most countries use infrastructure laid down by suppliers, or have single line infrastructures like pipelines. As such, various countries can easily manipulate systems to favor their politics and national policies.¹⁰

In chapter three of the book, Shaffer handles the topic of *Pipeline Trends and International Politics*. Natural gas consumption has generally increased with time. Similarly, the amount of exported oil has also increased significantly. It is because of this reason that various pipelines have emerged as the available means by which transportation of both natural gas and oil is possible. A number of pipelines that play an important role in international relations are mentioned in this chapter. One of such examples is the Druzhba pipeline which aids in supply of natural gas and oil from Russia to the old Union of Soviet.¹¹ In terms of trends of relation and international politics, Shaffer mentions that the presence of pipelines has led to the rise of new trends in the 21st century. The way various producers, distributors through pipelines and consumers interact leads to different political ramifications.¹² There are situations where some pipelines do not move explicitly to the international markets, but to direct country markets, thereby establishing the direct link of a producer and a consumer. Political issues and trade policies between such countries tend to be friendlier compared to other countries not involved in energy trade through the pipelines.¹³ Similarly, various countries may make interruptions on pipeline supplies that go through their states because of trends, ideological or political

¹⁰Ibid. 38.

¹¹Ibid. 49.

¹²Ibid. 47.

¹³Ibid. 49

differences.¹⁴ Pipeline creates a way through which some amount of states interdependency and cooperation must go on among the states involved in energy trade through pipelines. According to Shaffer, oil and natural gas pipelines form unparalleled infrastructural endowments that have both direct and indirect effect on laws.¹⁵

Chapter four of Shaffer's text is on the topic of conflict. This chapter handles various perspectives of conflict that emanate from struggles over energy resources, supplies and markets. On a notable ground, Shaffer shows that despite no visible armed conflict over energy resources by states, she notes that cross border issues caused by poor delimitation on areas endowed with natural gas and other energy deposits spark controversy between nations.¹⁶ She reviews the proposition to solve conflict problems by the laying of peace pipelines; but reiterates that most of these projects are propositions existing in paper form without any implementation carried out.¹⁷ The reasons given for their not having been implemented include absence of peace and the costly nature of their requirements. A clear potential of no battle for control over energy resources in the Middle East is established between China and the United States.¹⁸ This arises from the fact that they compete for a limited number of resources, although they bear various similarities in ways of production. Conversely, others still argue that the United States and China face a potential position of conflict over the resources of energy, especially the large deposits of energy reserves that are not yet exploited.¹⁹ A case of regional conflict mentioned by Shaffer in chapter four is the conflict between China, Indonesia, Malaysia, Taiwan, Philippines, Vietnam

¹⁴Ibid.

¹⁵Ibid. 59.

¹⁶Ibid. 67.

¹⁷Ibid. 70.

¹⁸Ibid. 87.

¹⁹Ibid. 85.

and Taiwan over the islands of Spratly and Paracel in the South China Sea.²⁰ Shaffer posits that gas and oil can act as catalysts of conflict, especially in gas producing and exporting states. The reasons advanced for this claim is the presence of laxity in administration and corruption in leadership, which lessen security grip of the governments on their populations.²¹ She moves on to forward the argument that most unstable oil exporting countries are characterized by recurrent civil wars, and consistent threats of security even for legitimate governments. On the overall, Shaffer succeeds in proving that energy and practices related to energy are causes of current and potential conflicts. These are also influenced by countries' political standpoints and international policies.

Chapter five of the book places focus on security; physical security and security of energy. The process of ensuring energy security is posed as being much dependent on a country's ability to diversify on factors related to energy supply, energy sources, infrastructural layout for distribution of energy, and flexibility in the use of fuel.²² Different countries have divergent views on how energy security can be ensured for their development. For example, while the United States lays emphasis on a reliable supply of energy to ensure energy security, the European Union prioritizes factors related to cost and the fact that energy can be affordable, as well as considerations of environmental friendliness in energy policies of energy trade partners.²³ A significant fact in security is that energy security plays along physical security. In countries where terrorism is rife and war is the order of the day, security of energy in terms of resources and infrastructure is as elusive as physical security in the same regions; a mention of examples include Iran. In Brenda Shaffer's words, necessity of energy in a population is quite

²⁰Ibid. 70.

²¹Ibid. 76.

²²Ibid. 90.

²³Ibid. 91.

important. This is to extents that limitations to energy supplies like power black outs may cause extensive losses in activities as well as psychological effects. Because of the priority given to energy security, many governments have integrated energy laws and policies alongside their national security and policy issues.²⁴ Nonetheless, Shaffer posits that the policies set by most governments and the bureaucratic procedures laid down in implementing them do not adequately address energy security.²⁵ One of the strategies she identifies as effective in ensuring energy security is the storage of reserve fuel which she says, has served NATO member states well. She also notes that the International Energy Agency (IEA) contributes to energy security by ensuring its member states encourage practices that ensure clean, affordable and reliable distribution and use of energy.²⁶ She finalizes by observing that the relationship between energy security and climate change cannot be ignored. It is because of this that most countries tend to initiate processes of using nuclear energy as a substitute to other forms.²⁷

The concerns on effects of various forms of energy on the environment may be the driving force behind chapter six of the book which centers on climate change. Shaffer opens this chapter by acknowledging the interconnectedness between policies formulated to govern issues of climate change, energy and environment. She mentions that the relationship between the environment and energy is one major issue with the requirement of constant attention and priority.²⁸ Shaffer goes ahead to state that despite natural processes being responsible for portions of change in the climate, the role played by human activities on land surfaces and industrial

²⁴Ibid.

²⁵Ibid. 92.

²⁶Ibid. 94-95.

²⁷Ibid. 104.

²⁸Ibid. 105.

actions is significant in climate change.²⁹ Attempts to remediate conditions on climate change target the reduction of the extent to which humans depend on fossil fuels. Shaffer cites the common grounds taken by humans in various conferences, to help curb negative effects of energy consumption on the environment. Mentioned among these include the UN Framework Convention on Climate Change and the Kyoto Protocol Framework.³⁰ Noting that the concern and outcry for policies that would curb greenhouse gases emission is high, Shaffer goes ahead to criticize the making of these policies as their implementation remains a great challenge to most governments.³¹ She closes the chapter by recognizing that a successful remediation to climate change will remain elusive for some time, and has several challenging factors that touch on sovereignty of states as well as international politics and policies.

The chapters that run from seven to twelve deliver various details on ongoing and predictable ways of relation, and interaction between the countries that lead in producing energy and those and those that lead in energy consumption. Shaffer highlights the state of energy in the major producers which include Russia, Iran and Saudi Arabia. Those identified within this chapter as leading consumers include; the European Union, China and the United States of America. Not only does Shaffer illustrate the interaction between these blocks, but she expands to show how the positions these groups hold as leading producers and consumers of energy, influence their interaction with the rest of the world and shape international politics and policies.

Besides being identified as number one energy exporter in the world, Russia is also marked as leading gas supplier to the EU and second in the world as an overall producer of

²⁹Ibid. 107.

³⁰Ibid. 108-110.

³¹Ibid. 111.

energy.³² Since the EU depends largely on Russia for energy, it gets apprehensive about the possibility of facing various risks, of which Russia always offers reassurance over. Nonetheless, if the EU were to drop Russia as a supplier, Russia would still have access to and the United States as alternative markets.³³

As a long time world leading producer of oil, Saudi Arabia has maintained its supply of energy to the US. This factor has played key roles in policies of US towards the Middle East, ranging from provision of security to less critique of the human rights situations. A strain in the long-lasting corporation seems to have been sparked by the 9/11 attacks on the US. On other grounds, the use of position of dominance by Saudi in OPEC policies has also been visible but has developed a diminishing trend in the onset of the 21st century.³⁴

Iran also falls among world energy leaders in terms of oil production and gas reserves and exportation. It however faces the paradox of importing more gas than exports despite such large reserve endowment. It also imports electricity. The state is highly dependent on energy for revenue but the energy field is characterized by nationalization, corruption, several international sanctions and bureaucratic processes. Trend analysis shows prediction possibilities of Iran ending up an oil importer with increased gas exports.³⁵

Due to lack of a common point of view in the EU, it is faced with the challenge of low bargaining power in its desire to increase importation of gas from Russia. Though it has made various efforts in an attempt to increase environment friendly use and storage of surplus energy, the EU still lags behind in achieving this because of the absence of unilateral policies in relation

³²Ibid. 114.

³³Ibid. 114-127.

³⁴Ibid. 155-160.

³⁵Ibid. 149- 154.

to energy production, distribution and consumption. This places the EU at a critical condition as projections place its energy imports at sixty percent by the year 2020.³⁶

Not only is the US the richest nation globally, it also leads in consumption of global energy. Although coal production is controversial with environmentalist policies, the US seconds this sector which serves for 50% production of its electricity. 20% of its electricity comes from nuclear energy which it leads in producing globally. Energy policies in the US and internationally tend to serve its local political interest with several monopolistic and control tendencies.³⁷

A review of China's energy situation by Shaffer presents a nation characterized by energy inefficiency; depending heavily on coal, importing a lot of energy from the Middle East, and adopting policies that encourage increased foreign ownership of energy resources. Due to its overuse of coal for energy, China is noted for avoiding the Kyoto Protocol to remain in an unbinding position in relation to environment degradation controversy. It also faces several health and environmental problems as a result of this.³⁸

On the overall, *Energy Politics* by Brenda Shaffer offers a rich literature on energy and its global political role. Listing how energy interacts with conflict, security, administrative policies, infrastructure, and climate change, Shaffer travels across all world continents with an explorative and evaluative approach. She goes ahead to canvass the results of the interaction between humans and energy issues and particularly how this interaction affects or influences politics. Just as its name suggests, Shaffer's work is a true representation of the world's energy politics.

³⁶Ibid. 128-134.

³⁷Ibid.

³⁸Ibid. 143-148.

Bibliography

Shaffer, Brenda. *Energy Politics*. Philadelphia: University of Pennsylvania Press, 2009.