

BOOK REVIEWS

The New Geopolitics of Energy by JOHN V. MITCHELL, PETER BECK, AND MICHAEL GRUBB. (London, UK: Royal Institute of International Affairs, 1996), 196 pages. ISBN 1-899658-12-2.

For an energy expert, it is heartening to see the new-found interest in energy and the related political problems. However, it is almost equally appalling to see the many books and articles whose authors, admitting to a lack of expertise in the field of energy, nonetheless, write on the subject by referring to one or two pieces by people whom they presume to be experts. As long-time students of the field know, the conventional wisdom about energy problems has been cursed with convention, but lacking in wisdom.

Thus, while this new volume by Mitchell and his colleagues at the RIIA contains little new analysis, it provides a welcome addition to the analysis of the geopolitics of energy, because the authors are experts on energy and environmental economics, rather than political experts. (As a political scientist, I can vouch for their political acumen). As such, it should provide a good overview to those interested in the subject and looking for a sober discussion rather than a compendium of figures and alarmist assertions.

The primary focus is petroleum, including a chapter on non-OPEC oil, as well as regional reviews of the situation in the Middle East, Russia, and East Asia. Contributions by Peter Beck and Michael Grubb cover nuclear power, and global warming, respectively. While the Americas and Africa are largely ignored, as is coal and renewable energy, the authors have managed to cover most pertinent geopolitical issues.

Since the book covers, but is not limited to, current events, the bulk of it has a reasonably long shelf-life. Undoubtedly, the section on the Former Soviet Union will not hold up as well as some of the others due to fast-changing events in that region, but because the book is grounded in sound geology and economics, the work will certainly prove more lasting than other work that reports current events and policies. Obviously, it has an edge over pieces that either rely on fallacious technical and economic assumptions or ignore those aspects altogether.

In particular, Mitchell corrects many of the popular misconceptions that continue to infect much of the writing in this field (and influence too many policy makers). He notes that oil is generally abundant and cheap to produce, that the long-term threat is, not of dominance of the oil market by the Middle East, but of the political impact of oil producers of a depressed oil market. although the "new geopolitics" cannot be reduced to one phrase, it primarily consists of liberalization and non-intervention in markets, as well as a geographical shift to Asia.

The one chapter which seems weakest is perhaps that by Michael Grubb, on global warming, in part because of the difficulty in addressing such a complex scientific, technical, economic, and political issue in a few pages. He assumes wholehearted acceptance of the IPCC's views on climate change and then summarizes briefly the regional and national differences in responses to this. He praises the European Union for its enlightened acceptance of the IPCC views, and chastises the United States' resistance to the same, while subsequently admitting that neither region has taken any action beyond diplomatic poses. A cynical observer might argue that either European countries are more gullible than the U.S. about environmental problems or more hypocritical in signing agreements that they do not intend to implement.

Since the tone of the book is sober, without being alarming, it may not reach the popular audience that it deserves. The depth is insufficient to attract most of the expert community.

Ideally, this book should be used as an undergraduate text, although it provides excellent insight to those interested, but not proficient, in the geopolitics of energy.

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The Seas Unite: Maritime Cooperation in the Asia Pacific Region, edited by SAM BATEMEN AND STEPHEN BATES. (Canberra, Australia: Strategic and Defense Studies Centre, Australian National University, 1996), 303 pages. ISBN 0-7315-25353.

With world attention now focused on the collapse of financial bastions surrounding the Pacific Rim, it comes as a shock to learn that the strategic status quo is also in jeopardy. Yet such is the message of this collection of expert papers on the political and military dangers still threatening the region, even in these days when the peace dividend is being eagerly awaited.

The volume opens with a reassuring reference to the scope for "preventive diplomacy and confidence building in the region." But it then goes on to document the extreme though little-known uncertainties of the various competing offshore regimes. In the South China Sea, for example, the risks of energy investment are shown to be hugely magnified by the absence of harmonious international relationships.

Authors of the various papers are basically academes, but with a spicing of naval experts. Surprisingly, the latter seem the more optimistic forecasters of the future for the region.

Admiral Sir James Eberle, with his background in Britain's Royal Navy and experience of the Falklands and Gulf Wars, finds that oil continues to flow even in wartime. He points out that the European Union and the Asia Pacific region have each overtaken the United States in economic power. And he foresees the Atlantic Century outshone, followed in three years' time by the opening of the Pacific Century.

This optimism seems to spring in part from the assumption that the US Navy will remain undisputed ruler of the region's waves. But there are already signs of a regional arms race, with China, Russia and Japan among the likely runners. Then there is India, with its Navy (page 60) "ideally suited to the conduct of operations in support of political objectives."

At the same time, while world attention is diverted on to the problem of land mines, there is the threat to energy supplies that could be quickly and cheaply mounted with sea-mines by any aggrieved regional trouble-maker. Japan's retired Rear Admiral Sumihike Kawanara reminds us (page 170) that, with more than 30 countries now offering sea-mines for sale, "rogue nations" have access to "proliferating arsenals of mines ... to drastically disrupt passage of ships, including tankers."

The rewards from signing the painfully elaborated United Nations Law of the Sea have proved another disappointment. Passed in December 1982 but not effective until three years ago, the new regime was intended to enhance the rights of coastal states, while securing access to deep-sea resource deposits for the outside powers. In fact, these studies show that the new 200-mile Exclusive Economic Zones are proving far more difficult to agree and police in the Asia-Pacific region than the former 3-20 mile limits. As to deep-sea waters, the hand-over to the International Sea-Bed Authority is "not likely to be acceptable to any of the claimants, particularly China" (page 244).

The confusion created in attempting to apply the new Law of the Sea is starkly shown by the present situation in the South China Sea—the vast expanse south of Korea and Japan but north of Indonesia. Leaving aside the involvement of Japan, Russia and Singapore, the accompanying map (page 224) reveals a "crazy quilt" of overlapping claims and military establishments. The oceanographic experts responsible for the paper on this subject reach the surprisingly mild conclusion that the status quo in this part of the region "is unstable and may lead to conflict."

With its 22 contributors, this volume is necessarily disjointed and (unnecessarily) lacks an index. But it is required reading for any would-be upstream investor in the Asia Pacific region.

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Figure 1. Military Rocks and Reefs - The South China Sea

