National oil companies (NOCs) play an important role in the world economy. They produce most of the world’s oil and bankroll governments across the globe. Although NOCs superficially resemble private-sector companies, they often behave in very different ways. Oil and Governance explains the variation in performance and strategy for NOCs and provides fresh insights into the future of the oil industry as well as the politics of the oil-rich countries where NOCs dominate. It comprises fifteen case studies, each following a common research design, of NOCs based in the Middle East, Africa, Asia, Latin America, and Europe. The book also includes cross-cutting pieces on the industrial structure of the oil industry and the politics and administration of NOCs. This book is the largest and most systematic analysis of NOCs to date and is suitable for audiences from industry and academia, as well as policymakers.

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## Contents

**List of figures**  
page viii

**List of tables**  
xiv

**List of boxes**  
xvi

**List of contributors**  
xvii

**Acknowledgements**  
xviii

### Part I  Introduction

1  Introduction and overview  

### Part II  Thematic studies of national oil companies

2  The political economy of expropriation and privatization in the oil sector  
C H R I S T O P H E R  W A R S H A W  

3  Hybrid governance: state management of national oil companies  
D A V I D  R.  H U L T S  

4  On the state’s choice of oil company: risk management and the frontier of the petroleum industry  
P E T E R  A.  N O L A N  A N D  M A R K  C.  T H U R B E R  

### Part III  National oil company case studies

5  Saudi Aramco: the jewel in the crown  
P A U L  S T E V E N S  


## Contents

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>Oil, monarchy, revolution, and theocracy: a study on the National Iranian Oil Company (NIOC)</td>
<td>234</td>
</tr>
<tr>
<td></td>
<td><strong>Paashad Mahdavi</strong></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Handcuffed: an assessment of Pemex’s performance and strategy</td>
<td>280</td>
</tr>
<tr>
<td></td>
<td><strong>Ognen Stojanovski</strong></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Kuwait Petroleum Corporation (KPC): an enterprise in gridlock</td>
<td>334</td>
</tr>
<tr>
<td></td>
<td><strong>Paul Stevens</strong></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>China National Petroleum Corporation (CNPC): a balancing act between enterprise and government</td>
<td>379</td>
</tr>
<tr>
<td></td>
<td><strong>Binbin Jhang</strong></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Petróleos de Venezuela, S.A. (PDVSA): from independence to subservience</td>
<td>418</td>
</tr>
<tr>
<td></td>
<td><strong>David R. Hults</strong></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Awakening giant: strategy and performance of the Abu Dhabi National Oil Company (ADNOC)</td>
<td>478</td>
</tr>
<tr>
<td></td>
<td><strong>Varun Rai and David G. Victor</strong></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Brazil’s Petrobras: strategy and performance</td>
<td>515</td>
</tr>
<tr>
<td></td>
<td><strong>Adilson De Oliveira</strong></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Sonatrach: the political economy of an Algerian state institution</td>
<td>557</td>
</tr>
<tr>
<td></td>
<td><strong>John P. Entelis</strong></td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Norway’s evolving champion: Statoil and the politics of state enterprise</td>
<td>599</td>
</tr>
<tr>
<td></td>
<td><strong>Mark C. Thurber and Benedicte Tangen Istad</strong></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Gazprom: the struggle for power</td>
<td>655</td>
</tr>
<tr>
<td></td>
<td><strong>Nadejda Victor and Inna Sayfer</strong></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>NNPC and Nigeria’s oil patronage ecosystem</td>
<td>701</td>
</tr>
<tr>
<td></td>
<td><strong>Mark C. Thurber, Ifeyinwa M. Emelife, and Patrick R. P. Heller</strong></td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>Fading star: explaining the evolution of India’s ONGC</td>
<td>753</td>
</tr>
<tr>
<td></td>
<td><strong>Varun Rai</strong></td>
<td></td>
</tr>
</tbody>
</table>
## Contents

18 Petronas: reconciling tensions between company and state  
**Leslie Lopez**  
809

19 Angola's Sonangol: dexterous right hand of the state  
**Patrick R. P. Heller**  
836

### Part IV  Conclusions and implications  

20 Major conclusions and implications for the future of the oil industry  
**David G. Victor, David R. Hults, and Mark C. Thurber**  
887

### Part V  Appendices  

Appendix A: our assessments of NOC performance  
**David G. Victor, David R. Hults, and Mark C. Thurber**  
931

Appendix B: assessing NOC performance and the role of depletion policy  
**Paul Stevens**  
940

**References**  
946

**Index**  
1000
Figures

1.1 Schematic for this study
1.2a Liquids reserves on working interest basis as of October 2009
1.2b 2008 liquids production on working interest basis
1.3a Gas reserves on working interest basis as of October 2009
1.3b 2008 gas production on working interest basis
2.1 Number of countries expropriating assets in the oil sector
2.2 Number of countries privatizing national oil companies
2.3 Marginal effect of executive constraints on predicted probability of expropriation
3.1 Select elements of NOC governance systems
3.2 Sample NOC governance system as part of the principal–agent relationship
3.3 NOC performance and organization of state actors having authority over an NOC
3.4 NOC performance and mix of NOC oversight mechanisms
3.5 NOC performance and reliance on law-based mechanisms
4.1 The central idea: Petroleum risk and the state’s capacity for risk can constrain state choice of hydrocarbon agent
4.2 Relative risk of petroleum investments (illustrative)
4.3 Investment risk as a function of petroleum province maturity (illustrative)
4.4 The choice of operating company and state participation when the state desires direct control
### List of figures

- **4.5** Water depth of the ninetieth percentile offshore exploration well worldwide that was spudded in the given year
  - Page: 155

- **4.6** Average fraction of exploration wells operated by home NOC as a function of water depth relative to the frontier, 1970–1989
  - Page: 159

- **4.7** Average fraction of exploration wells operated by NOCs from 1970 through 2008, plotted alongside oil price
  - Page: 161

- **5.1** Map of major oil and gas fields in Saudi Arabia
  - Page: 175

- **5.2** Golden quadrant idea
  - Page: 185

- **5.3** Oil revenues contribution to government revenue
  - Page: 194

- **5.4** Oil GDP contribution to total GDP
  - Page: 195

- **5.5** Oil contribution to merchandise export, 2003–2007
  - Page: 195

- **5.6** Saudi Arabian and world oil output, 1940–2008
  - Page: 210

- **6.1** Map of major oil and gas fields in Iran
  - Page: 238

- **6.2** Organizational chart of NIOC and its subsidiaries
  - Page: 245

- **6.3** Government revenue from oil and gas sales, 1955–2009
  - Page: 248

- **6.4** Oil within the Iranian political system
  - Page: 254

- **6.5** Iranian oil and gas production, 1937–2007
  - Page: 260

- **6.6** NIOC and OPEC
  - Page: 261

- **7.1** Map of major oil and gas fields in Mexico
  - Page: 285

- **7.2** Mexican liquid hydrocarbon production, 1965–2010
  - Page: 288

- **7.3** Pemex crude oil production by field (1997–2010)
  - Page: 288

- **7.4** Pemex capex, 1980–2010
  - Page: 303

- **8.1** Map of major oil and gas fields in Kuwait
  - Page: 338

- **8.2** Organizational structure of the Kuwait petroleum sector
  - Page: 342

- **8.3** Kuwaiti oil production, 1965–2006
  - Page: 356

- **9.1** Evolution of the Chinese oil industry
  - Page: 381

- **9.2** Map of major oil and gas fields in China
  - Page: 383

- **9.3** Oil production and oil consumption by product group, 1965–2007
  - Page: 386

- **9.4** Chinese oil production and consumption, 1965–2007
  - Page: 391

- **9.5** Top CNPC leadership employment history
  - Page: 399

- **9.6** Technology development at CNPC, 2003–2007
  - Page: 411

- **10.1** Map of major oil and gas fields in Venezuela
  - Page: 422
List of figures

10.2 Distribution of Venezuelan proven liquid reserves by type, 2007 438
10.3 Selected PDVSA operational data, 1987–2002 456
10.4 PDVSA liquids production, 1999–2007 462
11.1 Map of major oil and gas fields in UAE 483
11.2 UAE total oil production along with OPEC allocations 485
11.3 Destination of crude oil production in 2007 from ADMA-OPCO’s lower Zakum fields 488
11.4 Top-level organizational structure of ADMA-OPCO 503
11.5 Overall facilities block diagram of GASCWO’s “Ruwais 3rd NGL Project,” including OGD-III/AGD-II 504
11.6 ADNOC’s gas flaring, 1996–2007 505
11.7 ADNOC’s oil spills per year, 1996–2007 506
11.8 UAE’s gas production and consumption, 1980–2008 508
12.1 Map of major oil and gas fields in Brazil 519
12.2 Brazilian oil production, consumption, and refinery capacity, 1955–1965 524
12.3 Petrobras investments, 1954–1980 526
12.4 Petrobras investments, 1975–1995 529
12.5 Increasing water depth of pathbreaking Petrobras wells over time 530
12.6 Deficit in the oil account, 1981–1992 532
12.7 Oil price and Petrobras production, 1975–1995 534
12.8 Number of licensed blocks 538
12.9 Petrobras key financial ratios, 1999–2008 539
12.10 Oil price and Petrobras production, 1990–2008 540
12.11 Natural gas production, 1954–2008 541
12.12 Exploration costs and oil prices, 1999–2008 541
12.13 Oil production per upstream employee, 1998–2008 542
12.15 Refined oil per downstream employee, 1998–2008 543
12.16 Government revenues from oil exploration and production, 1998–2007 544
13.1 Map of major oil and gas fields in Algeria 560
13.2 Algeria’s petroleum reserves, 1980–2008 565
13.3 Hydrocarbon export value, total export value, and GDP for Algeria 565
List of figures

13.4 The 1998 institutional and energy policy framework and Sonatrach’s new corporate structure  570
13.5 Algeria’s crude oil production, 1980–2007  584
14.1 Map of major oil and gas fields in Norway  606
14.2 Equity share of NCS production held by different companies over time  607
14.3 Share of NCS production operated by different companies over time  608
14.4 NCS production by hydrocarbon type and field  609
14.5 Oil and gas sector percentage contribution to GNP and state revenue, 1971–2008  615
14.7 Degree of success in achieving Norway’s “Action Rule”  617
14.8 Statoil annual net income, compared against Brent crude oil spot price and Statoil NYSE share price  630
14.9 Statoil’s domestic (NCS) hydrocarbon entitlement production by type, 1999–2008  631
14.10 Statoil’s international hydrocarbon entitlement production by type  631
14.11 Statoil’s reserves-to-production ratio, 1999–2008  632
14.12 Relative contribution of domestic and international hydrocarbons to Statoil production, reserves, and net operating income  633
14.13 Sources of Statoil international equity production in 2008  633
14.14 Production costs on the NCS: Statoil, Norsk Hydro, and StatoilHydro, with BP global production cost as a benchmark  635
14.15 Production costs internationally: Statoil, Norsk Hydro, and StatoilHydro, with BP global production cost as a benchmark  636
15.1 Russia: GDP growth and crude oil prices, 1966–2008  666
15.3 Global conventional gas reserves by country in 2008  668
15.4 Russia: natural gas production, export, and consumption, historical data, 1985–2008
15.5 Major Russian natural gas fields production from West Siberia
15.6 Gazprom organization as of 2004
15.7 Map of major oil and gas fields and pipelines in Russia
16.1 Map of major oil and gas fields in Nigeria
16.2 History of Nigerian oil and natural gas production, showing annual petroleum export value as well as the type of government in power
16.3 Nigerian oil production by business arrangement, 2005–2007
16.4 Amount and sources of Nigerian government oil and gas revenue, 2004–2006
17.1 Map of major oil and gas fields in India
17.2 Crude oil imports and production in India, 1970–2006
17.3 Crude oil production by ONGC, 1960–2007
17.4 Natural gas production by ONGC, 1980–2007
17.5 Hydrocarbon reserves of ONGC (proven reserves), 2001–2009
17.6 Ultimate reserves accretion by ONGC
17.7 Financial performance of ONGC, 1995–2007
17.8 ONGC’s return on assets and sales, 1995–2007
17.9 Distribution of pre-NELP and NELP acreage by winning bidder
17.10 Concessions given by ONGC to downstream companies
17.11 Distribution of ONGC’s working capital into loans and advances, and cash and bank balances
17.12 ONGC’s current ratio (net current assets divided by current liability) and debt-equity ratio
17.13 Multilayered principal–agent structure of ONGC ownership and management
17.14 Impact of GoI’s monitoring mechanism on ONGC’s performance
18.1 Map of major oil and gas fields in Malaysia
18.2 Sources of Petronas revenues
18.3 Petronas group oil and gas reserves
19.1 Map of major oil and gas fields in Angola
List of figures

19.2 Increasing production amid conflict and instability 853
19.3 Proved reserves 854
20.1 Schematic for this study 888
20.2 The spread of NOCs over time 893
20.3a Functions characteristically undertaken by NOCs in sample 897
20.3b Composite hydrocarbon performance of NOCs in sample 898
20.3c Non-oil burdens on NOCs in sample 899
20.4 The impact of non-hydrocarbon functions on performance 902
20.5 Partnerships and NOC strategy 916
20.6 Geography and NOC strategy 918
20.7 Goals and administration of the hydrocarbon sector 922
20.8 Supply curves by type of hydrocarbon politics 923
20.9 Allocation of world oil production by type of hydrocarbon politics 925
B.1 The depletion choices 941
### Tables

1.1 NOCs sample, ordered by rank in working interest liquids production in 2008
2.1 Effect of executive constraints on expropriations
2.2 Effect of executive constraints on privatizations
2.3 PESD case study universe
3.1 Frequency of state actors having significant authority over an NOC
3.2 Frequency of various oversight mechanisms in governing NOCs
3.3 Frequency of formal and informal mechanisms in governing NOCs
4.1 Effect of “frontier” character (water depth, previous discoveries) and oil price on NOC prevalence in exploration
4.2 Effect of “frontier” character (water depth, previous discoveries) and oil price on NOC prevalence in exploration, this time excluding Brazil and Norway
5.1 Saudi Arabia – membership of oil governance institutions
6.1 Oil revenues in the fiscal budget (Iran)
7.1 Key financial indicators for 2000–2010
7.2 Allocation of capex (in % total capex) by Pemex operating subsidiary
8.1 Production costs in Kuwait
9.1a External decision-making governmental bodies related to CNPC before March 2008
9.1b External decision-making governmental bodies related to CNPC after March 2008
9.2 Petroleum industry extra profit tax collection rate

Page 24 | 49 | 52 | 53 | 78 | 82 | 85 | 157 | 162 | 189 | 249 | 290 | 303 | 349 | 400 | 400 | 406
List of tables

9.3 Comparison of key ratios for CNPC, PetroChina, and ExxonMobil, 2007 408
10.1 Venezuelan presidents, 1959–present 425
10.2 PDVSA payments to government budget, 2003–2008 448
10.3 PDVSA extra-budgetary obligations, 2003–2008 449
10.4 State control of PDVSA revenues, 2003–2008 458
10.5 Total PDVSA investment, and investment in exploration and production, 2003–2008 459
10.6 Estimated actual and planned PDVSA investment, 2003–2008 461
11.1 ADNOC’s crude oil production expansion plans to meet its 2015 target 493
13.1 Key players – Algerian hydrocarbons sector 572
15.1 Russian oil and gas export, and total export revenues 667
15.2 Gazprom gas production in Russia by region 669
15.3 Gazprom’s revenues, 2003–2008 678
16.1 Significant joint ventures with NNPC, with 2008 liquids production for each 711
17.1 Capital outlay allocated for ONGC in five-year plans between 1975 and 1990 764
17.2 External assistance received by ONGC for development of the Mumbai High fields 764
17.3 Declining crude oil production in early 1990s 765
17.4 Projected and actual oil production from ONGC’s Neelam fields 766
17.5 ONGC’s reserves replacement ratio 774
17.6 Blocks offered, bids received, and contracts signed for exploration blocks during pre-NELP rounds 780
17.7 Fields offered under joint venture development rounds 782
17.8 CSR expenditure by ONGC 790
19.1 Reported government receipts (Angola) 859
Boxes

1.1 What’s in a name?  
4.1 Frontier exploration uncertainties  
4.2 Frontier development uncertainties  
4.3 Managing exploration risk  
4.4 Managing development risk  
5.1 The attempted opening of the upstream in Saudi Arabia  
6.1 The constitution of Iran  
6.2 Iran’s Oil Stabilization Fund and the rent collection process  
13.1 Chakib Khelil  
15.1 Sample of Gazprom’s international activities  
15.2 Major Gazprom projects  
16.1 Most significant divisions and subsidiaries of NNPC  
19.1 Some key Sonangol subsidiaries and joint ventures  

page 4  
129  
131  
135  
136  
189  
247  
250  
578  
681  
686  
702  
862
Contributors

Adilson de Oliveira, Federal University of Rio de Janeiro
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When we began this study, most of the existing research spoke of NOCs as a monolithic block and usually in pejorative terms. Analysts assumed that competitive, privately owned oil companies would always perform better than state enterprises. We weren’t sure that claim was always correct. And in any case we didn’t think that approach was useful. NOCs would not soon disappear from the scene – in fact, many analysts suggested the world was in the midst of a swing back to national control of key industries.

Our starting point was that NOCs weren’t monolithic. There was huge variation in their behavior and performance. We were mindful that there was no shortage of hypotheses that claimed to explain why NOCs might vary, but there wasn’t much systematic analysis that actually tested such ideas. This book is an effort – the largest and most systematic independent analysis of NOCs – to explain why they varied.

We developed our research methods in stages, and we are particularly grateful to colleagues who helped us test and refine those...
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