

Energy Policy Case ‘Too much oil’

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Intro: A scarcity and resource depletion perspective still dominates the literature and public debate on crude oil supplies. However, scarcity of atmospheric capacity to absorb carbon dioxide emissions is imposing earlier and more stringent constraints than crude oil depletion. We expect oil production to peak in the coming years, not because of shortages of reserves but because of reduced demand for oil. Consequently, oil-related geopolitical conflicts can be analyzed as driven by too much oil that has to be kept underground.

Case: In August 2014, the Viewpoint ‘The geopolitics of too much oil’ by Thijs Van de Graaf and Aviel Verbruggen was submitted to Energy Policy, via the electronic EES platform, undergoing the review process. In October 2014, the reports of two reviewers were received. The first one had a few remarks and concluded that “*The subject area is of great importance, but this paper fails to address too many significant aspects adequately.*” The second reviewer was strongly in favor, judging that “*The paper certainly deserves publication.*”

Based on these contradictory review reports, the editor of Energy Policy immediately concluded that the referees “could not recommend it for publication” and she rejected our paper in the first round without giving the authors a chance to respond.

Contrary to what the editor claimed, one reviewer *did* recommend our piece to be published. The other reviewer was more critical but many of his/her points were not backed up by any kind of evidence and could be rebutted. Therefore, the authors prepared a careful answer to the 10 points of reviewer #1 (showing that some points simply disregard the manuscript text); the answers were sent both via EES and directly to the editor [see Annex down here].

Editor Greening answered: “... the editorial decision stands. All decisions are final, and per the letter of final decision, the journal does not discuss final decisions.”

We are aware of the large number of submissions to Energy Policy that must be managed by the editorial team. Yet, we feel that the way this submission was handled does not live up to the standards of good editorial conduct. The editor is responsible for overseeing the quality of the review reports. When a reviewer rejects a paper based on false grounds, and the authors submit a rebuttal, the editor should consider the argumentation of both the reviewer and the authors rather than stating that “the decision is final.” This is all the more so when reviewers are split on a manuscript.

Annex: authors reply to L. Greening and to the comments of reviewer #1

Dear editor,
Dear dr. L. Greening,

We received your decision regarding our submitted manuscript JEPO-D-14-01712 (Viewpoint, “The geopolitics of too much oil”). Thank you for processing the reviews in due time. The review reports contain useful suggestions and constructive feedback, with also some critical comments, but both reviewers express appreciation for our work, noting that the “subject area is of great importance” (rev.#1) and that our paper is “timely” and “certainly deserves publication” (rev.#2).

Therefore, we are surprised that you reject our manuscript in the first round. This is not the standard procedure in peer review processes, except if both reviewers have strong arguments for rejection. Quod non. Reviewer #2 is clearly and consistently in favor of publishing the viewpoint. Reviewer #1 is more critical but, as we will show below, most of her/his points are

not backed by scientific references or arguments, and therefore insufficiently strong to support a rejection.

Comment #1: *"It is not self-evident that the dominant view of energy politics is scarcity-induced conflict. For oil, the Campbell/Laharrere view in 1998 was that the world is not running out of oil, but the end of abundant, cheap oil was and is in sight. Gas availability is not seen as scarcity inducing conflict in the light of fracking etc. While there are concerns that a generalised economic recovery could create conditions for significant oil price rises, curbing recovery, this is not seen as a scarcity of resources as such."*

Response: We provide references to Michael Klare's work (on page 2, lines 22 and 27), which epitomizes the dominant line of thinking. The reviewer says that we are wrong because the world is not running out of oil and gas, it is running out of cheap oil and gas. However, this idea is fully compatible with what our manuscript states (we refer to the higher prices of unconventional and newly discovered conventional oil and gas on page 3, line 32, and on page 4, lines 22 and 29).

Comment #2: *"With oil products still providing some 90% of global transport requirements it is difficult to see a structural glut within the next couple of decades."*

Response: It might be "difficult to see" for the reviewer but the possibility is real, given that oil demand in the OECD is already falling and some projections (e.g., Citibank, GEA, Shell) foresee a peak in oil demand by 2020-2030. We also note alternative projections but the key point here is that we provide references to support our claim (page 5, line 2, and page 6, line 7), while the reviewer fails to provide references to support her/his claim.

Comment #3: *"The hypothesis that energy geopolitics revolves around abundance-induced conflict does not withstand closer examination."*

Response: This criticism is not substantiated or corroborated by evidence—this is a hollow point. What does the reviewer mean by "closer examination"?

Comment #4: *"Although producer rivalry will continue to exist it is a major jump in credibility to conclude this will result in "proxy warfare and sanctions"."*

Response: In this viewpoint we do not claim it will necessarily result in "proxy warfare and sanctions" but list this as a possible outcome, and one that is generally overlooked in the literature (page 12, line 24: "these are possible moves or outcomes on the geopolitical chessboard"). This is also why this manuscript is a viewpoint: it brings up an overlooked possibility. In a full paper (Futures, 2013) more argument and evidence are elaborated.

Comment #5: *"There is no sign in the paper that the author recognises the "manipulation" of conventional oil reserves"*

Response: The potential artificial inflation of oil reserves by OPEC is not mentioned in the paper indeed, but it is not negated either. The possibility of data manipulation, which we know from the literature and recognize, can be integrated into our viewpoint seamlessly. It, however, does not in any way change the basic argument or reasoning developed in the viewpoint. The fact that we did not bring up this point certainly provides no ground to reject our manuscript right away.

Comment #6: *"But globally oil consumption continues to rise, and can be expected to continue to do so for another decade or two."*

Response: This is exactly what we write in the paper! On page 5, line 1, we write that "there is a growing chorus of voices who believe that oil demand has peaked or is about to peak." Building on authoritative sources, we note several dates on which we can expect oil demand to level off, ranging from 2020 (based on Citigroup research; see page 5, line 2) to 2030 (based on the Global Energy Assessment, see page 6, lines 5-7).

Comment #7: *"It is not clear that methane hydrate stocks are immense unless released from thawing tundra."*

Response: The major methane hydrate stocks are identified in the lower layers of oceans. We are talking about subsea methane hydrates. The US Geological Survey estimates that global gas hydrates contain twice as much carbon as all other fossil fuel reserves (source: <http://pubs.usgs.gov/fs/fs021-01/fs021-01.pdf>).

Comment #8: *"Shell's New Lens scenarios do not suggest they are staking their future on continued oil E&P (or consumption)"*

Response: This contrasts with Shell's response to shareholders, to which we refer in our paper on page 7, line 22 (Shell, 2014): "The world will continue to need oil and gas for many decades to come, supporting both demand, and oil & gas prices. As such, we do not believe that any of our reserves will become 'stranded'." (Shell, 2014, page 1). This comment by Reviewer #1 also plainly contrasts with a remark that Reviewer #2 made: "For (mainly OECD) companies with reserves elsewhere which only cover a decade or 2 of expected production, continued investment, even to hold contingency reserves, would have a straightforward commercial justification."

Comment #9: *"Although there will be a "contest" between seeking to keep to carbon budgets and providing required energy services, the paper appears to have much too short a time horizon in concluding that most fossil fuel reserves "will have to be left in the ground"."*

Response: Contrary to what the reviewer states, we adopt a long time horizon. Climate change is a long-term problem that does not match well with the prevalent short-termism in electoral and business cycles. More importantly, we are not the first or only ones to claim that most fossil fuels will have to be left in the ground. The IEA itself has said it in its WEO 2012 (cited in our paper on page 6, lines 14-24). If the reviewer is to challenge the authority of the IEA or the WEO 2012, it would be fair to ask her/him to provide evidence or references in support of her/his claims.

Comment #10: *"The subject area is of great importance, but this paper fails to address too many significant aspects adequately."*

Response: We note that the reviewer finds our subject area of "great importance". The reviewer has not criticized our main argument or reasoning. S/he did not provide scientifically convincing references or arguments to support the own comments (as we have shown above).

In light of the above clarification, we would be most grateful if you would reconsider your decision to reject our Viewpoint, because it is not founded on an informed reading of the comments we received. When referees are demonstrably in favor of the paper (rev. #2) or criticize the paper on false grounds (rev. #1), authors should get at least the right to respond to the reviewers' comments and revise their manuscript accordingly.

Thank you in advance for considering our request. We look forward to hearing from you.

Yours sincerely,

Thijs Van de Graaf and Aviel Verbruggen

Further requests by e-mail to editor Lorna Greening and to Mr. Henri van Dorssen (Elsevier) for a fair consideration of our arguments resulted in the same answer: "the decision is final". These e-mails as well as the original review reports are available upon request with Aviel Verbruggen.