



APPLIES TO ACADEMIC YEAR
2001/2002

GRA 5911 Petroleum Economics and Administration

Program

Responsible for the course

Øystein Noreng

Department

Knowledge Management

Term

Winter

ECTS Credits

Objective

The course aims at giving students a comprehensive introduction to oil, gas and energy economics, including the policy and institutional framework. The course will also treat OPEC, oil trading and oil price formation, North Sea oil policies, the European natural gas market and EU - Norway energy relations.

Prerequisites

None

Compulsory literature

Hand-outs and:

Andersen, Svein S.: *The changing EU energy policy paradigm: The case of natural gas*, Oslo 2000, ARENA-working paper 13/200 (pp.1-25)

Andersen, Svein S.: *The Struggle over North Sea Oil and Gas*, Oslo 1993 (pp. 1-33, 167-190)

Berger, Bill D. and Anderson, Kenneth E.: *Modern Petroleum*, Tulsa 1992

Gillespie, Kate and Henry, Clement Moore: *Oil in the New World Order*, Gainesville, Fl. 1995, University Press of Florida (pp.1-88)

Hannesson, Rögnvaldur: *Petroleum Economics*, London 1998, Quorum Books (pp. 1-60, 83-122)

Holdren, John: *The Transition to Costlier Energy* in Lee Schipper and Stephen Myers: *Energy Efficiency and Human Activity*, Cambridge University Press (pp. 1-50)

Hoopes, Stephanie M.: *Oil Privatization, Public Choice and International Forces*, London 1997, Macmillan (pp. 1-36, 82-138)

Horsnell, Paul: *Issues in Deregulation, Privatization and Reregulation of Energy Industries* in *Privatization and Deregulation in the Gulf Energy Sector*, Abu Dhabi 1999,

The Emirates Center for Strategic Studies and Research (pp. 69-83)

Horsnell, Paul and Mabro, Robert: *Oil Markets and Prices*, Oxford 1993

Noreng, Øystein: *Liberalisation, Integration and Specialisation - The Restructuring of the European Oil Industry*, Sandvika 2000, Handelshøyskolen BI

Noreng, Øystein: *Oil and Islam*, London 1997, Wiley (pp.111-145, 198-262)

Scherer, F.M.: *Industry Structure, Strategy and Public Policy*, New York 1996, Harper Collins (pp. 1-15, 64-140)

Stern, Jonathan: *Competition and Liberalization in the European Gas Markets*, London 1998, Royal Institute of International Affairs (pp. 1-109)

NB: Changes may occur, a complete literature list will be provided.

Recommended literature

None

Course outline

The oil market and the oil industry
The concessionary system
Fiscal framework
Petroleum taxation
Price formation
Economic rent
North Sea policies and frameworks
The international markets for oil and gas
Characteristics of the offshore market
Oil industry history
Types of oil companies
Risk diversification, integration, specialisation and outsourcing

Computer-based tools

No computer-based tools are used in this course.

Course structure

30 hours of lecture

Evaluation

A three hour written exam and a term paper, each weighing 50 %.

Evaluation code(s)

GRA 59111

Aids at the examination

Financial calculator, BP Statistical Review of World Energy

Makeup exam

At the next ordinary exam