



## Department of Economics Course Outline

		<b>Term:</b>	Winter 2011
<b>Course:</b>	Economics 327 [Petroleum in the World Economy]	<b>Section:</b>	01
<b>Time:</b>	R 18:30 – 21:20	<b>Place:</b>	ST147 (subject to change)
<b>Instructor:</b>	R. C. Schlenker		
<b>Office:</b>	SS 1050	<b>Telephone</b>	220-4096
<b>Office Hours:</b>	TR 14:00-14:30	<b>E-Mail:</b>	<a href="mailto:rschlenk@ucalgary.ca">rschlenk@ucalgary.ca</a>

**Textbook(s):** [Required] Class Handout – This can be purchased from the department office at the start of the term.

### Books on Reserve:

Carol Dahl, *International Energy Markets – Understanding Pricing, Policies and Profits*, Pennwell Publishing, 2004.

Albert L. Danielsen, *The Evolution of OPEC*, Harcourt Brace Jovanovich, 1982.

James M. Griffin and Henry B. Steele, *Energy Economics and Policy*, Academic Press, 1986.

Peter Tertzakian, *A Thousand Barrels a Second*, McGraw Hill, 2007.

Peter Tertzakian, *The End of Energy Obesity*, John Wiley and Sons, 2009.

### Websites

The following websites provide significant amounts of information with respect to the world's petroleum industry:

International Energy Agency (IEA) – [www.iea.org](http://www.iea.org)

Organization of Petroleum Exporting Countries (OPEC) – [www.opec.org](http://www.opec.org)

US Department of Energy/Energy Information Administration (DOE/EIA) –  
[www.eia.doe.gov](http://www.eia.doe.gov)

British Petroleum (BP) - [www.bp.com](http://www.bp.com)

More information relating to the Canadian industry can be found on the following websites:

National Energy Board (NEB) – [www.neb.gc.ca](http://www.neb.gc.ca)

Canadian Association of Petroleum Producers (CAPP) – [www.capp.ca](http://www.capp.ca)

Alberta Energy Resources Conservation Board (AEUB) – [www.ercb.ca](http://www.ercb.ca)

Alberta Department of Energy (ADOE) – [www.energy.gov.ab.ca](http://www.energy.gov.ab.ca)

### Course Objective:

The main objective of this course is to provide the student with an understanding of the role of petroleum in the world economy. The development and significance of the oil industry over time will be reviewed and prospects for oil in the world's economic future will be evaluated. Basic analytical concepts such as supply, demand, perfect and imperfect competition will be used to explain the workings of the global petroleum industry. There will be particular emphasis on the influence of market power on the world's petroleum industry over time.

### Course Outline

### Readings:

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| 1. Introduction and Overview of Oil Market         | Handout Part A, BP/IEA websites, Dahl Ch.2 |
| 2. Evolution of the Petroleum Industry             | Handout Part B, Danielsen Ch.4-7           |
| 3. Short/Medium Term Industry Analysis             | Handout Part C, Danielsen Ch.3, Dahl Ch.6  |
| 4. Long Run Oil Pricing Theory                     | Danielsen Ch.2, Dahl Ch.12                 |
| 5. Global Energy Supplies, Consumption and Outlook | Handout Part D, BP, IEA, DOE/EIA websites  |

### Grade Determination and Final Examination Details:

Assignment	10% - Due Date: March 31
Midterm Examination	40% - March 10
Final Examination	50% - April 18-29

Tests and final exams are marked on a numerical (percentage) basis, then converted to letter grades. The course grade is then calculated using the weights indicated above. As a guide to determining standing, these letter grade equivalences will generally apply:

A+	98 - 100	B	75 - 79	C-	60 - 62
A	90 - 97	B-	70 - 74	D+	55 - 59
A-	85 - 89	C+	67 - 69	D	50 - 54
B+	80 - 84	C	63 - 66	F	0 - 49

A non-programmable calculator may be allowed during the writing of tests or final examinations.

There will be a Registrar scheduled final examination, lasting 2 hours and held in a classroom.

Exams may contain multiple choice questions.

**Notes:**

- Students seeking reappraisal of a piece of graded term work (term paper, essay, etc.) should discuss their work with the Instructor *within fifteen days* of the work being returned to the class.
- Late assignments will not be accepted under any circumstances.
- Make-up midterm examinations will not be given under any circumstances. With appropriate documentation, the weight of the midterm will be moved to the final exam. Also, examinations will not be given *before* the indicated dates.
- Deferred examinations will not be given *except in cases of extreme personal emergencies*.
- Students' exams and assignments will be returned during regular class time.
- Please note that the following types of emails will receive no response: emails not addressed to anyone in particular; emails where the recipient's name is not spelled correctly; anonymous emails; emails in which the sender has not identified which course and section he/she is taking; and, emails involving questions that are specifically addressed on the course outline.
- It is the student's responsibility to request academic accommodations. If you are a student with a documented disability who may require academic accommodation and have not registered with the Disability Resource Centre, please contact their office at 220-8237. Students who have not registered with the Disability Resource Centre are not eligible for formal academic accommodation. You are also required to discuss your needs with your instructor no later than fourteen (14) days after the start of this course.

## Students' Union Vice-President Academic:

Alyssa Stacy

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## Students' Union Faculty Representative (Arts)

Phone: 220-3913 Office: MSC 251

E-mail [arts1@su.ucalgary.ca](mailto:arts1@su.ucalgary.ca)

## Society of Undergraduates in Economics (S.U.E.):

[www.ucalgary.ca/sue/](http://www.ucalgary.ca/sue/)

Safewalk / Campus Security: 220-5333

Emergency Assembly Location – ICT Food Court

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RCS:mi

2010-12-14