

OPEC Delegation

Tufts Inquiry

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## **OPEC Briefing Paper**

### **Introduction:**

Climate change is impacted by many things, ranging from human consumption to industrial production. Energy resources like fossil fuels have been raised into question about its impact on the environment and what people's responsibilities are with nature, and natural resources. The Organization of the Petroleum Exporting Countries is responsible for fracking and distributing oil from its member countries and is responsible for 40 percent of the world's crude oil. While fracking can be considered bad for the environment, the jobs it employs with distribution, and the lack of energy poverty far outweigh the effect on the climate.

OPEC prides itself on magnifying the voices of those in developing countries who have limited access to energy and personally sponsors projects to improve the lives of residents there and make energy cleaner in an economically productive way. Energy poverty is a very current issue exacerbated by recent developments between Ukraine and Russia, as well as recent efforts to transition to clean energy. These two events combined have extremely destabilized the market, resulting in potential death and extreme poverty on a global scale. Now more than ever, OPEC's council on how to go forward with no casualties, economic or environmental. Gas prices in the U.S are already expected to be above 5\$ a gallon, which corresponds to the estimate that the U.S has a 35% chance of an economic recession in 2022. In the UK and the rest of Europe the year is

projected to be similarly disastrous. If oil prices continue to plunge, it is certain that the world's working class will suffer. The fight against climate change must not exist in a vortex, therefore, the ends do not justify the means if the means are transitioning from fossil fuels too hastily and at the expense of the innocent.

### **Background:**

During the 18th century, great change began in Europe with the start of the Industrial Revolution. Originating in Great Britain, the Industrial Revolution transformed the way the world functioned and the resources it relied on as it spread across the globe. Defined as a transition period towards new manufacturing processes, the Industrial Revolution shifted economies away from relying on agriculture and craftwork to relying on large-scale factories and machines. The mass production of goods and the new use of machines exponentially increased the need for energy, so coal and oil were produced on a larger scale. Because oil is a nonrenewable resource that only a few areas possess, it became invaluable, giving the countries which have access to oil a newfound power and influence over world politics. The demand for oil was so high that failing economies were able to stabilize themselves through the production of petroleum. Throughout the course of history, oil has served as a lifeline for struggling countries and has offered support to the people by creating jobs and strengthening economies. The Industrial Revolution opened the eyes of world leaders to the importance of petroleum and transformed the old hierarchy of natural resources, putting oil at the top.

The founding members of OPEC realized the potential that oil production provided their countries with and decided to harness that power. Created in 1960, OPEC was founded in Baghdad during the Baghdad Conference by Iran, Iraq, Kuwait, Saudi Arabia, and Venezuela. The original OPEC headquarters were stationed in Geneva, Switzerland, but moved to Vienna,

Austria five years later. OPEC was formed during a period of political and economic change, during which the oil industry was dominated by the “Seven Sisters,” or seven major oil companies located mainly in Europe and America. The Seven Sisters consisted of the Anglo-Iranian Oil Company (BP), Royal Dutch Shell (Shell), Standard Oil Company of California (Chevron), Gulf Oil, Texaco, Standard Oil Company of New Jersey (ExxonMobil), and the Standard Oil Company of New York (ExxonMobil). These companies were able to flourish because they benefited from imperialism and gained their power by exploiting territories with large oil reserves. As nations recovering from imperialism, the original OPEC members realized they would have more influence in the industry if they banded together instead of selling oil independently. Their realization was proven to be correct as they quickly rose to international prominence during the 1970s. The creation of OPEC helped developing nations around the world claim authority over their own natural resources and influenced them to use their natural resources to improve their economies. This was especially powerful as it showed developing nations that they could recover from imperialism and thrive while being independent. As OPEC gained more power, more countries with oil reserves were eager to join the organization.

OPEC has continued to grow and change in recent years. With a current number of thirteen members as of 2022, many countries have since joined the company in search of its economic benefits. Libya joined shortly after OPEC’s formation in 1962, similarly having a natural resource of gas (OPEC). Following Libya came the United Arab Emirates in 1967 which now has a 30% GDP from oil and gas output (OPEC). Joining in 1969, Algeria has remained a member of OPEC to this day and has gained 95% of its export income from the oil and natural gas industry (SSRMC). Nigeria, too, joined in 1971 in efforts to correct its problematic “administration of petroleum taxation” (CBN). Fast-forwarding to 2007, Angola joined OPEC to

strengthen its economy after its 27-year civil war (CNBC). Gabon has had an on-and-off relationship with OPEC. It became a member in 1975 but separated in 1994 due to its inability to afford the membership fees, and as of 2016 has returned (CNBC). After uncovering its expansive oil reserves in 1996, Equatorial Guinea joined OPEC in 2017 leading to an economic “transformation” (OPEC). Last to join OPEC, in 2018 the Republic of Congo became a member being home to sizable oil and gas reserves (OPEC). While OPEC has contributed to the economic success of several countries, members are increasingly departing in the 21st century. Beginning with Indonesia which had one leg out the door since 2009, their moving on from OPEC began with the worldwide increase of oil prices in 2008. Later on, after rejoining OPEC shortly in 2016, the two’s policy on cutting crude oil production was incompatible and led to its second exit (UMA). As the gas industry is turning a corner, the LNG industry (or liquefied natural gas) has become a prime investment for its ability to transport gas in less space, specifically 1/600th of the volume of gas (Rigzone). This has piqued the interest of countries such as Australia, the United States, Russia, and now Qatar who left OPEC in 2019 to advance on this new market, recognizing the world's growing inclination for cleaner forms of fuel (Aljazeera). In efforts to “reduce public spending and generate new income,” Ecuador has also left OPEC in 2020 (Reuters). Despite the departure of members and the looming threat of cleaner energy overtaking its business, OPEC remains necessary for both its member’s economies and its customers who rely on petroleum.

Looking at its number of members and percentage of oil exports, it is hard to see a world where OPEC does not exist. OPEC’s members are largely developing countries that are using their natural resources to strengthen their economies (OPEC). With OPEC’s aid, these countries have managed to advance their wealth greatly and by default offer other improvements such as

job opportunities. Seeing as we have not yet beat our dependence on oil, the world has OPEC to thank for approximately 40 percent of petroleum exports (EIA). In continuing its business, OPEC has the potential to provide oil to developing areas in their pursuit of industrializing and even gain new members and by doing so transform the wavering economies of countries in need.

### **Key Points:**

#### *Global Governance:*

1. Cooperation + tensions with other countries
2. The worlds dependance on the oil market

#### *Security:*

1. The Russian-Ukrainian war and its effect on oil
2. Covid's effect on oil production and economic stability

#### *Energy:*

1. OPEC's relationship with renewable energy/climate change
2. How we can keep countries stable while helping climate change

#### *Agriculture/Food Security:*

1. Fracking and its impact
2. How the agriculture industry relies on petroleum

#### *Economic Development:*

1. Dependency on oil for the economy
2. How they can function without it and in a more renewable way

#### *Justice and Human Rights*

1. How oil production is essential in providing jobs
2. How oil industrials help the economy of developing countries and its citizens

## **Global Governance - Arabella Bartle**

OPEC currently features thirteen countries, among them the founding countries of Iran, Iraq, Kuwait, Saudi Arabia, and Venezuela. Iran is a predominantly Shia Islamic republic, and a theocracy under the Islamic jurist. It is unicameral as of the 1979 constitution, and its current president is Ebrahim Raisi, while its highest authority, the supreme leader, is Ali Khamenei.

Iraq is also majority Shia, though it is a multicameral Federal Parliamentary representative democracy. The president and prime minister hold the highest positions of authority, though it is of note that Iraq was called “authoritarian” by a U.S economic intelligence unit in 2019.

Kuwait, a semi-autocracy with a ruling emirate, with an appointed judiciary, cabinet, and parliament, and also has a majority Shia.

Saudi Arabia, by contrast, is predominantly Sunni. It has a monarchy, with the Saud dynasty in power currently, and Shariah-Islamic law-is primarily the ruling legislation. There is no separation of church and state. There is a council of ministers and consultative council that draft legislation and manage affairs, though both defer to the king.

Venezuela is described as republican, federalist, and democratic as of its 1999 constitution. The Venezuelan president serves six year terms and has sole authority over the armed forces. The country also has a unicameral national assembly.

Algeria, a former colony of France, is a majority Sunni country, with a rather recent constitution developed in 2020. It is a multicameral government with a strong executive branch and a president.

Angola is a former colony of Portugal that has been independent as of 1975. However, a civil war that ended in 2002 left it ravaged, the product of famine lasting from roughly the 1980’s

to the 2000s. The petroleum industry has been Angola's only steady national income, and is for the most part responsible for the country's recent economic recovery. Equatorial Guinea, a former colony of Spain, is a bicameral republic with a president, as of 1991.

The Democratic party of Equatorial Guinea has been in power since the late 80's, and elections there have been accused of being fraudulent. Also of note is Equatorial Guinea's reliance on the petroleum industry- it is  $\frac{4}{5}$  of the per capita GDP.

Gabon is a former French colony, and a multicameral republic. Like Equatorial Guinea, the country is heavily reliant on its petroleum industry, relying on it for investments in public infrastructure, education, and health.

Libya has a per capita GDP among the highest in Africa, with Petroleum being  $\frac{3}{4}$  of its per capita GDP. It has fallen into political turmoil after its dictator was overthrown in 2011. Two rivals are currently competing for control of the country.

Nigeria, a former British colony, is a Federal Republic with two legislative houses. In 2016, Nigeria entered a depression due to the fluctuation of oil prices and instability in the oil market-exposing a reliance on the market.

The United Arab Emirates has a unicameral government with a prime minister. The petroleum industry is roughly  $\frac{1}{3}$  of their per capita GDP.

The member countries of OPEC are varied in every way, though some common threads can be identified: all are sovereign, most are unicameral, and heavily dependent on oil, and by extension, their status in OPEC. For example, the failure of the oil industry would cause severe economic suffering in countries like the UAE, Libya, Nigeria, Equatorial Guinea, and Gabon. The potential ramifications for those voiceless and energy poor would be inconceivable were the national revenue these countries depend on be removed from the economy. On these grounds,

OPEC advocates patience and graduality in any and all transitions to non petroleum based energy, in the interest of preserving human welfare. This is the crux of OPEC and its role in global governance: subsequently it exerts considerable influence over the global market price of oil and, understandably, tends to keep it relatively high in order to maximize profitability.

While there is great variation among OPEC's member countries in terms of forms of government, most of the founding countries are sovereign Islamic republics, all with a central leader of some sort(though there is variation as to which sort) and a Judiciary structure. The security provided by the petroleum industry plays a part in OPEC's member countries independence: those in Africa and Latin America are former colonies and wish to remain independent. Thus, the oil industry was a tool in which to make the quality of life better for their inhabitants and free themselves from colonial shackles.

OPEC does not condone human rights abuse. Therefore, any and all human rights abuses occurring in member countries do so with OPEC's condemnation. In Venezuela, the isolated minority groups who reside in Southern Venezuela are facing attacks on all sides: however, it is not from Venezuela's oil industry but Venezuela's mining for precious metals, disease, and illegal mining by law-breakers in neighboring countries like Brazil. Many middle eastern members of OPEC also face questions on human rights and refugee policy as Afghanis attempt to leave their country in droves, but as Afghanistan is not a member nation, OPEC has no comment. However, there has been good news on the political and social rights front: recently Iran and Saudi Arabia have been discussing peace, and Saudi Arabian Prince Mohammed Bin Salman reportedly wants to build a positive relationship with Iran (Hubbard, Fassihi, Arraf). OPEC also condemns the human rights abuses brought on by the ongoing Russo-Ukrainian war, however it will continue to maintain diplomatic and economic ties with Russia in the interest of a stable oil market.

OPEC's official statement on climate change as of 2020 emphasizes its goal to maintain a stable oil market, but also promote "responsible stewardship of the environment." At the Glasgow conference, OPEC takes note of the fact that energy poverty and climate change are related, and that we must walk the line and simultaneously listen to all voices, work to reduce emissions and make energy affordable. To make energy more affordable is to better the lives of those disadvantaged by war, famine, disease, and more. The socio economic situation of every country must be taken into account, and OPEC stresses that there is no one size fits all approach to the complex issues facing the world today. OPEC's organization, OFID, invests in underdeveloped countries globally to reduce energy poverty and transition to clean energy safely without harming the economy. Furthermore, OPEC sponsors research and development across the world in which to maximize the productivity the oil industry can have economically and from a human rights perspective. For example, in collaboration with The World Bank, the IEA<sup>1</sup>, and the OECD,<sup>2</sup> in an analysis of the scope of energy subsidies in 2010, OPEC researched how unproductive government oil subsidies can be redirected and used, in layman's terms, to eradicate extreme poverty.

All members of OPEC have signed on to the UNFCCC (United Frameworks Convention) and regard climate change as a high priority. Therefore, we endorse the annual briefings of the Kyoto protocol, updated by the UNFCCC. OFID, the OPEC fund for International Development, invests heavily in underdeveloped countries' projects to reduce energy poverty and invest in renewable energy. For example, in 2019, OFID invested 45 million USD in Cuba's new energy policy, which aims to reduce imports and exports of fossil fuel, reduce energy poverty and modernize sanitation and irrigation schemes. As of 2021, all countries in OPEC are officially in the Paris accords. OPEC has been in the UN since 1962 and cooperates with it fully.

OPEC also fully embraces and cooperates in major climate initiatives like the Paris Accords, and the UNFCCC, and was present at the Glasgow conference.

### **Security- Maggie Bruce**

Currently, geopolitical tensions have escalated, affecting prices of oil and petroleum and the member countries of OPEC. These concerns have taken top priority for OPEC, and we offer the utmost support to climate change while prioritizing the security of nations and job security for those who work to produce and ship oil. In recent, the tensions between Russia and Ukraine have been on the forefront of concern for OPEC, specifically regarding oil prices. Russia outputs 30% of natural oil in Europe and has threats to weaponize this as tensions increase. As of writing this, OPEC sees no need to immediately respond to these claims, as the market is fluctuating, and things are changing every day.

Recent climate events have made OPEC aware of its place in the world, yet its stance stays the same. The security of people's jobs comes first, with climate also on our mind. OPEC stated at the Glasgow Climate conference that they believe that emissions have many paths. Pinpointing energy emissions on OPEC would be arbitrary when looking at science and OPEC's long term goal of energy equitability. It is privileged and ignorant to look at energy and say it needs to be eliminated for climate purposes, when some people still don't have access to it. The security of Energy for people who have yet to have access to it, has greater importance than OPEC's small role in the current climate and energy crisis.

OPEC is proud of the security and alliances within the member nations. Currently with the war between Russia and Ukraine, oil prices have gone up exponentially and only adds to the tensions between OPEC and Russia experienced in 2020. Saudi Arabia initiated a price war with

Russia in 2020, but this conflict was peacefully resolved, and the relationship has been steady. With the official declaration of war of Russia, the export of oil has been severely limited between Russia and all countries across the globe. Because of this, prices have gone up per barrel, only fueling rising tensions between countries across the globe. It is OPEC's foremost goal to bring down these prices to ease security, and this is vital to get this under control, while the climate crisis falls into the foreground of OPEC's concerns.

With the Covid-19 pandemic OPEC saw a drop in demand, and therefore, the economy of many member countries. This made OPEC highly conscious of its place in the world, and while the climate is extremely important and OPEC wants to help however it can to protect it, the security of oil has to be a priority. This means that people's jobs, and the citizens of many countries dependent on oil are at risk, and all OPEC nations are highly dependent on one another. If one nation doesn't meet output requirements, it puts OPEC as a whole at risk of failure, and that means thousands of people are unemployed. Saudi Arabia plays a key role in oil production specifically, and is very constant with its oil output. Russia was usually constant, but because of the war, people in the oil industry are about to face the consequences of Vladimir Putin's decision. The workers will be victimized by this, and it's OPEC's top priority to make sure that these workers may have stable jobs and the price of oil can come down.

The position of the member nations have been key in accessing natural resources for OPEC. All member nations need to coordinate on the distribution of oil and access to it. The transportation of oil also needs to be coordinated, and all oil exports are tracked for pricing. Energy is the key source of cooperation between nations. These nations are all at a key point for fracking, which is highly contended with people concerned with the climate. While OPEC understands fracking is not ideal for the environment, the consequences for entirely stopping

fracking would be detrimental to job security and the economy of member nations. People's jobs and lives have to come first, there are multiple routes and answers to preventing climate change, but leaving hundreds of thousands without jobs is not the answer.

### **Agriculture and Food Security- Asha Chattopadhyay**

Since the beginning of OPEC's formation, the organization has been committed to ending food insecurity and improving the agriculture industry through the use of petroleum. The agriculture industry is focused on the science and art behind cultivating crops and raising livestock. Because of this, it is also deeply connected to the functioning of the food distribution chain and climate change. Since the agriculture industry spans a wide range of careers and opportunities, every worker has vastly different needs and expectations. OPEC's goal is to raise the voices of the workers and improve their working conditions with the help of oil. OPEC's agriculture and food security committee is focused on understanding how oil production affects the environment while also finding ways to improve both the agriculture industry and the oil industry.

One of OPEC's main focuses is on fracking and its positive and negative effects on both the environment and the economy. Fracking, also called hydraulic fracturing, is the process of injecting liquid at high pressures into specific rocks to extract oil or natural gas. While controversial, the benefits of fracking far outweigh the negatives. It is argued that the chemicals used while fracking can be toxic and possibly cause health problems. In addition, some say that fracking can contaminate groundwater and cause air pollution. On the other hand, fracking also creates jobs, produces more oil, and lowers oil prices. It is estimated that fracking will create 3.5 million jobs in the United States alone by 2035. The oil industry is booming and has the potential

to provide a large amount of the global population with a stable job and income, which would give more people the ability to purchase food, raising food security rates. Fracking is also a more effective way of getting oil out of the Earth. Since oil is the world's primary fuel and makes up 33% of all energy used, using a more effective method to produce oil lowers oil prices, which allows people to spend more of their money on food instead of gas.

In addition, the agriculture industry heavily relies on oil to function. Oil plays a primary role in all aspects of food distribution, from growing the crops to packaging them to exporting them across the world. A majority of pesticides used to farm are petroleum based. In the United States alone, about one billion pounds of pesticides are used each year. Pesticides help farmers control harmful insect and weed populations to allow their crops to grow as much as possible. Without enough oil to make pesticides, farmers would not be able to grow as much produce due to the harmful insects and weeds eating and killing their plants. Packaging and producing food also happens in factories which rely on oil to run. Without an affordable and accessible source of energy, factories wouldn't be able to create processed goods, causing a spike in food insecurity rates due to the lack of food. Additionally, many methods of food transportation use oil to function. Usually, after foods are processed, they are brought to warehouses around the world on boats or airplanes, both of which run on petroleum. After being transported to the warehouses, they are stored and brought to grocery stores. Without a reliable source of energy to transport the foods, large populations around the globe wouldn't have access to basic and nutritional foods.

Currently, a large population of the globe is food insecure, and the oil industry can help to lower that demographic exponentially. About 2.3 billion people around the world are food insecure, which is about 30% of the global population. Since the oil industry has the potential to create millions of jobs globally, it can provide workers with structure and enough money to

afford food and other basic necessities. In addition, the production of oil helps the food distribution chain run more smoothly, allowing people to have access to a wider range of foods. With access to many different types of foods, people with allergies and other dietary restrictions will be able to eat foods that are safe for them. The use of petroleum based products in the cultivation of crops allows for as many crops to grow and thrive as possible, leading to more produce being used to make foods. Booming oil industries worldwide also improve their countries' economies, lowering food prices throughout the country. When food prices get lowered, a larger percentage of the population can afford to purchase food, lowering the food insecurity rates.

The use of oil throughout the agriculture industry has significantly increased the efficiency of the food distribution chain and has allowed crops to grow to their full potential. It provides the world with a way to lower food insecurity rates while also raising the voices of agriculture workers around the world. Oil is a necessity in the entire food production process, and denying that fact only does harm to the most vulnerable in society. The full potential of oil has yet to be unlocked, but can be if it is recognized and embraced as the backbone of society that it truly is.

## **Energy- Matt Rooney**

OPEC's official position on fossil fuels remains that of sustaining countries reliant on oil while working against the climate change crisis. We remain fully supportive and engaged in the Paris Climate Agreement. However, other solutions to global warming can be put in place without crippling the economy of countries in OPEC, whose countries would not be able to

function without money from oil exports. OPEC recognizes the introduction of a mixture of oil and renewable energy is the ideal solution, as shifting the energy from oil to 100% renewable energy is a radical change and unexpected for countries reliant on fossil fuels to keep their economy afloat. Other technologies are able to be established to help combat the climate crisis while allowing these countries to function. As said at the UN Climate Change Conference in Glasgow later last year, “climate change and energy poverty are two sides of the same coin”. The balance between sustaining renewable energy and providing affordable energy for all citizens of the world is a delicate one. Countries around the world need fair access to energy, and OPEC is helping to create a more energy-equal world.

The future of the energy industry must understand the crucial issue present in many developing countries: Energy Poverty. Energy Poverty, a term many are not used to hearing much about, describes the problem that some 1.1 billion people in second and third world countries struggle with. There, not all people have access to the energy they need to live. Energy is a necessity of life, and without it these people suffer. Members here must recognize the benefits Oil offers. The citizens of these countries cannot rely on renewable energy, therefore we must provide adequate resources through other sources. Members need to tackle the issue of Climate Change in a fair and equitable way in order to avoid discrimination against developing countries and energy sources. We will continue to develop new ways to reach proper environmental credentials for all energy sources, but must keep in mind the human right to energy services in order to provide light, warmth, and more.

OPEC countries’ economy not only relies on oil barrel exports for money, but helps to maintain the prices of oil globally. In 2018, OPEC accounted for 79.4% of all crude oil exports, producing 1,189.80 barrels. A sudden shift to fully renewable energy would create a radical

fluctuation in oil prices, the specific thing OPEC was founded to prevent. It is important to understand the term “energy transition”, something that also helps the 1.1 billion people worldwide that struggle with energy poverty. A slow transition to the inclusion of more renewable energies while still maintaining the use of oil will help the people in those developing countries acclimate to the future, as well as helping to prevent fluctuations in oil prices worldwide.

OPEC has acknowledged the contribution to climate change does include outdated technology used. This is why OPEC is using new technologies to combat this issue by, for example, producing cleaner and more efficient petrochemical products. In addition, new technologies are being developed to create a cleaner carbon footprint while also helping to maintain reasonable oil prices worldwide, helping to combat energy poverty, and supporting the economies and jobs of developing countries and countries in OPEC.

### **Economic Development: Laurie O’Sullivan**

The current economic state for the members of OPEC is fluctuating because of the current world affairs as of late February 2022. These developing countries are reliant on oil pumping and exporting to other countries, especially the U.S. An oil shortage has come up in these countries but they still continue to pump because it's their only source of maintaining stability in their economy and keeping jobs. The oil industry is the primary source of not only money for the country as a whole, but jobs and setting wages. The fact that Iran, Iraq, Kuwait, Saudi Arabia and Venezuela are all banned together allows them to work together and set standards on their prices to make sure they are not fighting one another back and forth about

prices and that they are all getting enough money. This shows how crucial oil pumping is to these countries because they would fall apart without the production of oil.

Leaders and politicians around the world are urging OPEC to slow down their rate of production because of climate change. By keeping the oil underground, it is helping keep the earth at a warmer temperature. The process of pumping it emits a lot of heat into the air and then when people use the oil it gets even worse because of how they burn it in factories and use it as non renewable energy. Because oil is so frowned upon by leaders because of its effect on the climate, these countries could start to struggle. Right now there have not been enough definitive changes made to affect their economy but when these laws do get strictly enforced these countries will fall apart. The process of oil pumping is becoming more and more precarious and bringing up more and more issues which will eventually tear down these countries. Not to mention that Iran, Iraq, Kuwait, and Saudi Arabia are also all very close to each other in the Middle East which is already a tumultuous territory when it comes to stability for the economy and socially.

Although oil production isn't really affected by the weather, oil production has more of an effect on the weather and how to deal with natural disasters. When big storms happen and there is a need for quick and effective clean up and help, issues of climate change basically get thrown out the window. It's times like this when oil comes in to provide people with power and energy. So in this context, there are certain weather issues that are reliant on the help of oil. Excessive pumping of oil will cause issues in future weather patterns as it will lead to climate change, but currently oil is necessary for quick easy energy.

If countries insist on switching completely to renewable energy as quickly as everyone is saying, the economy will fall apart. Biden has said he wants to be reliant on at least 40% solar

energy but the U.S is still OPECs number one importer of oil. This shows that the members of OPEC are not the ones at fault because oil is still in high demand and needs to still be exported for the world to function at this moment. Also, if Biden and the U.S did go up to 40% solar by 2035 like the Biden administration has said, it would be a huge rapid jump and ruin so many other countries. OPEC also has to focus on building up their own countries, societies, and economies and are more concerned with that then the climate issues oil could have in the future because either way they'll be in trouble. If they stop producing oil they'll fall apart, and if they don't stop, they could harm their environment too much to the point of disaster. Right now they are choosing to deal with their most prevalent issues which is the state of their own countries, economy, and providing jobs and wages to their citizens. They cannot be expected to betray their own citizens' quality of life because of other countries that are ruining the planet more than they are. Oil is their only choice.

The best way to try to solve this complex problem is to meet in the middle. Completely jumping from using almost completely oil in the world, to none, makes no sense, but something does have to be done. If the demand on oil goes down they can start to produce less but set prices are a big factor. If oil use goes down, the price can't fall to nothing or it will be a mess. This would be an issue of mainly setting a standard price on oil all around so that these countries couldn't be taken advantage of for their oil when that's all they have. When oil use drops other producers can drop prices more significantly because other producing countries have other sources of wealth to depend on or are in a more stable state in general. OPEC can't afford for prices to drop along with demand so rapidly. Alternate ways for them to keep themselves going needs to be set up before they worry about producing and exporting less oil.

Iran, Iraq, Kuwait, Saudi Arabia and Venezuela are generally not stable countries with

many issues other than economy as well. The only thing giving them economic help and some sort of stability is oil.

### **Justice and Human Rights - Mia Lasic-Ellis**

Since OPEC's creation in September 1960, OPEC has set out for "environmental harmony, sustainable development and the eradication of poverty" (OPEC). As currently made up of majorly developed countries, aiding the development of OPEC's own members as well as vulnerable regions through the OPEC Fund is an integral part of the organization. In terms of OPEC's members, with the exception of Saudi Arabia and Iran, each has had the lasting struggles of being infringed upon by imperial powers (WorldPopulation). OPEC has aided these countries in the process of reclaiming their economies through monopolizing their natural resources. These member countries are promised a stable oil market (their main source of income), resulting in overall increased stability (Investopedia). Undoubtedly, increased economic growth has created job opportunities, a necessity to all countries not only for economic purposes but also to relieve social and political pressures. Additionally, given that OPEC provides approximately 40 percent of petroleum exports (EIA), OPEC is aiding the industrialization and strengthening of nearly half the world in the form of oil trade. Alongside its previously stated work, the OPEC Fund targets unprotected areas of the world by providing necessities of development including transportation, education, and energy to over 125 countries. Through care towards internal members, trading partners, and vulnerable areas, OPEC has and continues to support the world using petroleum.

In acknowledgment of the world's environmental crisis, OPEC has enforced change for the good of the planet's future. OPEC has pledged to reduce emissions by 25 percent by the year

2030. Still, being responsible for 40 percent of petroleum exports, and facing underinvestment in drilling (NYT), OPEC has also set out to invest \$122 billion to increase oil and gas production (FP). While OPEC is committed to being as sustainable as possible, the eradication of petroleum is unrealistic and presently detrimental. As previously mentioned, the organization carries the economies of thirteen countries. This goes beyond matters of wealth; it affects the day-to-day lives of individuals for whom we provide jobs. More broadly, the necessity for oil in OPEC's clientele remains its responsibility to upkeep until society has introduced an equally affordable and available energy option. Furthermore, OPEC is devoted to both the improvement of the environment and the continuation of its business to protect those who rely on OPEC.

Through the OPEC Fund established in 1976, OPEC has acknowledged countries as global refugees and paid its dues to those whose debt is owed (OPEC). OPEC, too, being made up of developing countries in development, has empathy for struggling areas who are being hit, not only by climate related issues, but other crises'. OPEC's fund has been aiding countries who have and will suffer from climate change, including the Global South and Small Island States. OPEC has helped the Philippines, one of the top three countries impacted by climate change and has been experiencing typhoons in the recent years (TheHill). In response to Typhoon Haiyan of 2013, OPEC sent emergency aid in the form of grants with the International Federation of Red Cross or the IFRC (OPECFund). More recently, OPEC had offered support to Central America (more specifically Guatemala, Honduras, and Micaragua) concerning Hurricane Eta of 2020 (OPECFund). Lastly, regarding the 2020 flooding crisis in Sudan, OPEC offered financial aid through the IFRC (OPECFund). By responding to climate calamity in these vulnerable areas, OPEC has and continues to support refugees, and so far has invested over \$22 billion in these development projects.

As previously emphasized, OPEC is constructed of developing countries who have been severely affected by western imperialism and are presently economically reliant on OPEC's petroleum production. In considering the organization's views of the Global North's responsibility to more vulnerable countries in regards to climate change, OPEC undoubtedly cares a great deal about the issue as established in the last paragraph, and would hope the North does, too. However, OPEC is in a delicate position to voice its position on the Global North (who contributes of 92 percent of global emissions (BAN)) and their responsibilities, as OPEC exported roughly 20 percent of its oil to Europe and the Americas in 2020, and are therefore largely economically dependent on the North's business (Statista). Still, seeing as the Global North contains some of the world's largest powers and polluters, such as the United States, shifting part of the responsibility towards countries impacted by climate change to the North would be greatly beneficial to OPEC as it is a far smaller power.

Looking forward, OPEC aims to continue supporting its members economically and socially, provide fairly priced petroleum to nearly half of the world in a controlled market (OPEC), and "meet essential needs" of unprotected areas facing catastrophe due to climate change (OPECFunds). Although OPEC's goals are big, if stronger powers such as the Global North aid in the pursuit to support these at-risk areas, OPEC will be able to continue the essential trade of petroleum while protecting its society.

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### Background

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