

PANEL PROPOSAL:

**Investing and Re-investing Oil Revenues during the 20th century:
The roles of Banks, Countries, Institutions and Multinationals**

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Oil exploitation started in the second half of the 19th century but it was only after WWII that petroleum became a pivotal energy resource, first in the most developed countries and after all over the world. As a natural resource, oil possession varies among countries and, by the end of the 19th century, an international market was already established. Few companies, well known as the 'Seven Sisters', dominated both the oil industry and market till the 1950s. Five 'sisters' were from the United States and two were founded in Western Europe. But some oil-importing countries, for examples Italy, France, Germany and Japan, created state-owned enterprises to acquire a certain degree of control over the national oil importations and, consequently, national (and international) markets. Standard Oil, John D. Rockefeller' company, was the oil major leader and all other petroleum multinationals followed its industrial strategy. They undertook a vertical integration policy, aiming to take control of the whole oil supply chain, from research to distribution.

The growing relevance of oil after WWII modified the relationships among countries. In the 1960s, oil-producers created a cartel, named OPEC, empowering oil-owner nations. Moreover, the rise of oil prices and the economic shocks that it produced led to a switch in the 'oil' order and oil-producers took back the control over their natural resource. Finally, as the literature already pointed out, these countries slowly turned away from the developing model that they firstly implemented (ISI model). A new era began in which the financial interest of the petrol-dollars became preeminent. The 'oil investments' assumed different configurations and they were employed in a variety of modalities and destinations, influencing the international economic structures but also recovery paths after the crisis.

This panel aims to compare the oil revenues strategies of multinationals, countries (oil-owners and oil consumers), banks and institutions, as all these actors are major players in the oil market.

According to the general purpose, the main (but not exclusive), issues are:

- *Oil investment strategies:* Which investment models were dominant in the oil industry during the 20th century? Did they change according to the firm ownership (state-owned, private, ecc.)? Did they modify in the long term?
- *Financial Institutions and World financial assets:* What was financial institutions' role in the oil market exploitation? Did it change in the long term?
How were the financial markets influenced by oil profits? How were (in financial terms) oil profits re-invested?
- *Nations and World order:* In the case of oil owner countries, how did nations reinvested oil profits? What were the changes in global geopolitics due to the increased of oil profits? How oil profits influenced the economic development of producing countries?

Participants:

Simone Selva

"Oil revenues and global finance: the investments of the OPEC oil producers and western oil corporations, and the meteoric ascendancy of the Eurocurrency markets from the 1960s through to the 1980s"

Espen Storli, Pål Thonstad Sandvik.

“Creating monopoly profits: large oil companies and the Scandinavian markets, 1890-1940”

Carlo Edoardo Altamura

[TO BE DEFINED].

Spero Paraventis, Andrea Locatelli

“The effects of the oil shock: the role of the EEC Structural Funds (1975-1988)”

Alain Beltran

“Between two worlds: State, banks and the first years of French oil companies (1920’s-1970’s)”.

Neil Forbes

[TO BE DEFINED]

Ilaria Suffia

“Oil multinationals vs. the ‘new oil order’: the case of Eni”