Contents

List of tables and figures................................................................. V
Acknowledgements........................................................................ VI
Cover Page................................................................................... 1
Chapter One: Introduction............................................................. 2


2.1. Review of Literature................................................................. 7
   2.1.1 Domestic Factors
   2.1.2 International Factors
2.2. Iran's Energy and Foreign Policies........................................... 9
2.3. Theory of Domestic Explanations......................................... 11
2.4. Theory of International System............................................ 13
2.5. Iran's Energy Policy towards China and India.......................... 14
   2.5.1 Iran's Energy Policy looks to the East
   2.5.2 Interdependency
   2.5.3 Supply and Demand
   2.5.4 Interdependence Mode
Conclusion .................................................................................. 20

Chapter Three: Iran's Energy Policy: An Overview ......................... 21

3.1. Iran's Oil Policy since Discovery of Oil until Islamic Revolution (1901-1979)
   3.1.1 Discovery and Concession of Oil
   3.1.2 Nationalisation of Oil
   3.1.3 Iran's Oil Policy and OPEC
   3.1.4 Oil Revenue and Militarization
   3.1.5 Iran's Economy Transformation into Rentier Economy
3.2. Iran's Oil Policy under Islamic Government............................ 37
   3.2.1 Energy Policy under Khomeini 1979 - 1989
   3.2.2 Rafsanjani Pragmatic approach and New Oil Policy 1989-1997
   3.2.3 Reform and Oil Policy during Khatami Period 1997-2005
   3.2.4 Ahmadinejad's Policy in Oil Industry 2005
Chapter Four: Determinants of Iran's Energy Policy: Domestic and International

4.1. Domestic Factors

4.1.1 Decision Structure
4.1.2 Supreme Leader
4.1.3 President
4.1.4 Expediency Council, Parliament, Guardian Council, and High Council for National Security
4.1.5 The National Iranian Oil Company (NIOC)
4.1.6 Ministry of Oil
4.1.7 NIOC and Oil Ministry Conflict
4.1.8 Interest Groups and Organizations
4.1.9 Iran Oil and Gas Production and Consumption

4.2 International Factors Determine on Iran's Energy Policy

4.2.1 World Energy Demand and Specific Geographic of Iran
4.2.2 The United States Sanctions
4.2.3 Iran's Nuclear Policy

Chapter Five: Iran's Energy Decision Making and Foreign Policy

5.1 Geopolitics of Iran
5.2 Oil Revenue
5.3 The Foreign-Policy Process

5.3.1 Radicalism
5.3.2 Pragmatics
5.3.3 Reformist
5.3.4 Return of Radicalism

Chapter Six: Iran's Energy Relations with China and India

6.1 Iran-Europe Relation Declined
6.2 Asia: The Emerging Energy Market
6.3 Source of Oil Supply to Asian Countries
7.5.1 Iran’s “Look to the East” Policy and Complex Interdependence
7.5.2 China and Complex Interdependence
7.5.3 China – U.S Complex Interdependence and Strategic Partner of Iran
7.5.4 India Vulnerability and Energy Security
7.5.5 Supply and Demand

Conclusion ........................................................................ 195

Chapter Eight: Conclusion ............................................................... 196

Appendix

Bibliography

A. Tables

1. Oil Revenue and Oil Exports, 1919-1926 ...........................................23
2. Oil Revenue and Military Expenditure during 1955-78........................33
3. Iran Oil Production from 1979 -1988..............................................43
4. Iran Oil Production from 1990 -1997.............................................44
5. Iran Oil Production from 1997 -2003..............................................49
6. Gas Production in Iran, 1995-2005 (billion cubic meters*)...............50
7. Top 10 Natural Gas Producers in 2005 and Their Reserves .................84
8. Iranian Crude Oil Production, Petroleum Prices per-barrel, .............107
and Total Revenues per-year, 1979 – 1988
9. Iranian Crude Oil Production, Petroleum Prices per-barrel, and Total
Revenues per- year, 1989 – 1997......................................................109
10. Iranian Crude Oil Production, Petroleum Prices per-barrel,
and Total Revenues per-year, 1998 – 2005 .......................................111

B. Figures

1. Iran’s Complex Political System..................................................55
2. Revolutionary Political Base: 1989-2006....................................78
4. Total Energy Consumption, by type (2006).................................85
5. Iran Gas Strategic Position .........................................................87
6. The Strait of Hormuz.................................................................100
7. Map of the Nations of Central Asia ............................................103
8. Gas Export from Iran to Europe ..............................................118
9. The Persian Gulf Region and Global Energy (as a % of global)........129
10. Persian Gulf Oil Exporters .........................................................130
11. Proposed Natural Gas Pipelines ....................................................132
14. India’s Consumption Excluding Export .........................................151
15. Demand –Supply gap in Oil to exist .............................................152
16. Crude Oil import and Production in India ......................................153
17. Iran- Pakistan –India Gas Pipeline Project .....................................159
18. Chinese Proposed Gas Pipeline ....................................................173
19. Gas Pipeline Project in Asia ........................................................178