

Zadorian, Amanda. 2018. *Competing for Legitimacy: Oil Industry Governance in Russia and Brazil*. Ph.D. Dissertation, The New School for Social Research, New York.

Abstract:

During the commodity price boom of 2004-14, oil industry governance in Russia and Brazil converged around a new transnational model. The dissertation argues that institutional convergence occurred due to the international pressures facing Russia and Brazil as primary commodity producers trying to be perceived as competitive knowledge economies. Previous scholarship has focused on how oil legitimates political leadership through social spending, co-optation of elites, and nationalist ideology. The dissertation identifies a new link between oil and political legitimacy: the significance of oil to a country's international competitiveness.

Petrobras and Rosneft emerged as competitive national oil companies through two main reforms: listing of their shares on international stock exchanges, and selective nationalization of domestic petroleum resources. These two reforms seem to work at cross-purposes, since international listing encourages foreign investment in oil exploration and production, while assertions of state control make foreign investors wary. However, the dissertation explains that control over oil reserves enabled the national oil companies to better emulate the oil majors, for whom reserves replacement is a key performance metric, and attract them as knowledge partners. Through their reports to shareholders, the competitive national oil companies are produced in the image of investors' expectations. This set of ideas about what it means to be competitive as an oil company provides necessary context for understanding the convergence of oil industry governance institutions.

Drawing on interviews and field research with oil industry personnel in Moscow, Houston, and Rio de Janeiro, the dissertation recounts how international listing and selective

nationalization together produced profitable national oil companies modeled on the oil majors.

Qualitative content analysis of presidential speeches demonstrates that oil was linked to development of an internationally competitive knowledge economy in Russia and Brazil.

National oil companies improve their home countries' reputation for international competitiveness by adopting professional best practices oriented towards maximizing shareholder value. In the process, they contribute to legitimating a distribution of oil wealth that favors shareholders - the state among them - over workers, consumers, and citizens.