



ADBI book launch of *Achieving Energy Security in Asia: Diversification, Integration and Policy Implications*

ADBI recently launched the new book “Achieving Energy Security in Asia: Diversification, Integration and Policy Implications” at ADBI in Tokyo. In this podcast, co-editor Farhad Taghizadeh-Hesary of Waseda University and Dayong Zhang of Southwestern University of Finance and Economics, a discussant at the launch, provide an overview of the book and its unique insights. Linda Arthur, a Senior Capacity Building and Training Specialist at ADBI, moderates:

[AUDIO RECORDING – LINDA ARTHUR]

Could I now turn it over to Professor Farhad Taghizadeh-Hesary and could I ask him to briefly introduce the book and the various chapters of the book and its themes. And then we'd like to engage Professor Zhang as a discussant.

[AUDIO RECORDING – FARHAD TAGHIZADEH-HESARY]

Thank you very much for listening to this book launch. When we look at the literature usually energy security is defined as a reliable and adequate supply of energy at reasonable prices. This is the most common definition of energy security. Although this definition is common, we try to challenge it, and we believe that it is not complete. So we challenge it and we try to provide a comprehensive analysis of energy security because the term energy security is a multifaceted issue and we need to look at different aspects not only the economic aspect but also the political, geopolitical, as well as institutional, legal and regulatory.

The first issue that we highlighted in this book, we try to provide a comprehensive analysis of energy security, for example, for the economic aspects, we discussed even today that increasing the self-sufficiency of energy and reducing the dependency on imports or increasing the stability

of the energy market or for political the relationship between oil exporter countries and oil importer countries or other sources of energy. For geopolitical the necessities for regional cooperation and making a union for promoting trade and so on. And the third is institutional regulatory and legal is also neglected, which is very important. So, this is the first uniqueness of this book.

Secondly, we try to provide a quantitative framework because when we discuss energy security, the majority of discussions are very qualitative and descriptive. So we need to bring in numbers otherwise if we don't have numbers for energy security, we cannot set this strategy, we cannot set the goals. We provided the framework in this book and all chapters try to use this framework. It means that first of all, the availability of energy is important. Many countries are rich in fossil fuels, but this is under the ground – it is not available. Availability does not necessarily mean how many resources are under the ground. Also, the applicability of technology is very important.

Now, we are talking about many countries in the Pacific region in Asia that are less developed and how new technologies apply to these countries. Next, acceptability of this technology. Whether we can apply these technologies to these countries' economies. How much those nations are readily able to accept this technology and finally, the affordability and prices. This is the second characteristic of this book and the uniqueness that we try to quantify everything by number.

Thirdly, we focused on Asia. When we looked at the literature, we had a shortage of studies on Asia. So, we focus on Asia, and in different chapters, we briefly talk about them. We had studies on different Asian sub-regions, for example, among Asia, you have ASEAN, Southeast Asia, which is the most integrated region in the whole Asian continent or we have Central Asia where the regional integration is very low, energy trade is very low, South Asia, East Asia. So each of these regions needs to be studied, needs to be analyzed separately. We cannot have a remedy for the whole of Asia. So this is another thing that we covered.

[AUDIO RECORDING – LINDA ARTHUR]

Thank you very much, Professor Taghizadeh-Hesary. Professor Zhang, the perspective from the People's Republic of China is obviously one that needs to be considered in any discussion

regarding energy security in Asia. And as such, we would like to invite your comments on the book today and any others that you may want to insert at this stage.

[AUDIO RECORDING – DAYONG ZHANG]

This book, including this Energy Security in Asia, I think it's a very, very important issue and I like the concepts that the authors talk about; diversification, cooperation, and then policy relevance this book is talking about. I think Asia is very, very big and featured with very different characteristics of countries.

I think the first part of the book is really talking about four main sub-regions. For example, looking at South Asia and talking about ASEAN, talking about Central Asia, the Caspian area, and also talking about East Asia, China, Japan, and Korea. I think that's very important to look at this kind of sub-region or characteristics in terms of energy security, but of course, it makes me think about, you know, what can these regions you know, to work together in something that's maybe relevant to the team in a broader concept of cooperation. And also I like to read books in terms of looking into the details with country-specific and regional-specific policy discussions.

In part two, I think I read a lot of things that I don't want to spend too much space talking about that and which should be left to the readers to explore the rich contents of this book. A few of the inspirations I get from reading the book is, is the following. First of all, I think one of the chapters brings climate change into the framework. I think some of the presenters talk about climate change, the importance of climate change in the broader concepts and security. So we have the supply of energy, we have the cost of delivery, means for affordability, and then we have a big cost during that climate change. So we have to face what's going on here. The typhoons happen hit to Japan and also natural disasters happen more frequently everywhere in the world so climate change is something we cannot ignore.

When we talk about climate change, people normally concentrated more on carbon, but apart from carbon, there are other pollutants that hurt us very much. Having these environmental issues; air pollution in China and India has become a very, very important question to regional development and sustainability. And that all leads to the consumption of fossil fuels. And of course, how to balance energy security and also the need for economic growth. And the broader

concept of climate and environmental damage caused by energy is something that needs to be thought about in the next step.

And I also like and then again, I like this idea, intra-regionals and looking at South Asia, but I think it probably also needs to look at inter-regional or cooperation within Asia, bring South Asia, bring these core CAC, the Central Asian Caspian countries together with these Asia or ASEAN countries and make a broader conversation possible. And the last thing that I want to see that's perhaps relevant to the discussion we're going to talk about this afternoon is from a regional perspective to a global perspective, I think, we talk about Asia, we can't ignore the impacts from, for example, the United States of America.

So the shale revolution has made the world very different. The energy market, very different. The numerous events happened recently, you know, some have been so astonishing, like what happened in the investments in Saudi Arabia and to the oil price, shooting up 20% in a day. That sort of thing raises the question you know, we are in a more interconnected world. So this kind of concept called energy financialization, making these international energy markets more, much more special and the need to take global perspectives as a broader concept of energy market into consideration.

A link to ADBI's "[Achieving Energy Security in Asia: Diversification, Integration and Policy Implications](#)" can be found in the show notes of this episode. For more on ADBI and its research, capacity building and training initiatives, please adbi.org.

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