[redacted]

Slide 3: Recommended action

The course of action Standard Oil Company should take is to set an oil trade embargo in cahoots with its rival Asiatic Petroleum company. They are in a far more dominant position for bargaining than China is.

- The two companies combined hold 70-83% of the total kerosene exports to China.
- China has been steadily demanding more kerosene each year - see stastics page
- Although the companies may temporarily lose a large amount of their business, Standard Oil Company has historically halted deals with China, demonstrating their stable financial situation, and willingness to hold out.

It is even better for Standard Oil Company than its rival because China has taken a political stance behind Standard Oil Company, touting their partnership as the key to modernization, so if it falls apart it will look terrible on the face of the government and may weaken nationalist fervor

This will also discourage the Chinese government from playing games with taxation in the future.

[redacted]

Slide 4:

If the rival company refuses to participate in the embargo, then Standard Oil Company should double down by significantly cutting profits and under cutting rival to gain market share until rival either drops out or agrees to the embargo. The temporary loss will be worth either the increased share of market or cohesion/monopoly with Asiatic Petroleum Company.