

**ARAB
PETRO-
POLITICS**

ABDULAZIZ AL-SOWAYEGH

272

S

CONTENTS

- List of Tables
- List of Figures
- List of Abbreviations
- Preface
- Acknowledgement

Part One: The Oil Industry and the Arab World

- 1. Arab Oil: An Introduction 3
- 2. Major Actors in the Oil Game 6
 - The Oil Companies 6
 - The Oil-Consuming Countries 13
 - The Home Governments of the International Oil Companies 13
 - The Oil-Importing Third World 18
 - The Oil-Producing Countries 26
- 3. OPEC: Oil Consciousness in the Middle East 32
 - The Organizational Structure of OPEC 34
 - The Conference 34
 - The Board of Governors 36
 - The Secretariat 36
- 4. OPEC's Achievements 38
 - OPEC and the Price of Oil 38
 - OPEC and Oil Royalties 39
 - OPEC and Control of Production 42
 - OPEC's Success in the 1960s: an Assessment 42
 - The Triumph of OPEC 45

Part Two: Arab Oil and the Palestine Conflict

- 5. Oil and the Palestinian Question 51
- 6. The West and the Creation of Israel 55
 - The London Conference and the 1939 White Paper 57
 - The United States and Israel 58
 - Palestine Before the United Nations 64
- 7. Israel and Western Strategy in the Middle East 70

8. The Arab League and Arab Oil Policy	83
1. Promotion of Petroleum Knowledge among the Arab Countries	87
2. Co-ordination of the Petroleum Policies of the Arab Countries	87
Part Three: The Politicization of Arab Oil	
9. The Politicization of Arab Oil	93
10. Previous Attempts to Use Oil as a Political Weapon	97
11. The Arab Oil Revolution, 1970-1973: Revenues, Prices and Agreements	102
Tripoli: Phase 1	103
The Tehran Agreement	109
The Tripoli Agreement	109
12. The Arab Oil Revolution, 1970-1973: Participation Versus Nationalization	113
Part Four: Arab Oil Strategy	
13. Arab Oil Strategy	123
Arab Oil Strategy in Action	124
The Kuwait Conference	127
The Instruments of Arab Strategy	129
The Cutback of Oil Production	129
The Oil Embargo	130
The Price Explosion	133
14. The 1973 Ramadan War's Impact on the Industrialized Countries	138
The Washington Energy Conference	141
15. Oil and Arab-American Relations	146
Safeguarding Oil Supplies	154
Maintenance of the Area's Security	159
The Resolution of Arab-Israeli Conflict	160
Part Five: Arab Petropower: An Evaluation	
16. The Nature and Substance of Arab Oil Power	167
The Quest for Power	168
Political Power	169
Arab Oil Power	170

The Trade Stakes	174
Remittances and Development Aid	175
The Arab Petrodollar Bonanza	177
Oil Power: Myth or Reality?	179
17. Oil and Alternative Energy Sources	183
Coal	186
Natural Gas	186
Nuclear Energy	189
18. Conclusion	192
The Initial Period, 1859-1950	194
The Oil-Consciousness Period, 1950-1970	194
The Take-off Period, 1970-1973	194
The Oil Revolution, 1973	194
Concluding Remarks	198
Index	202

TABLES

2.1	Sales, Assets, Employees and Net Income of Major Oil Companies outside the United States, 1972 and 1982	7
2.2	Oil Output of Major Oil Companies in the Gulf, 1971	8
2.3	Commercial Primary Energy Consumption by Country Group, 1977-90	19
2.4	Classification of Developing Countries by Intensity of Energy Demand	21
2.5	ODA Performance of Individual Arab Countries	24
2.6	Concessional Assistance by Arab Countries, Net Disbursements	25
4.1	OPEC Member Countries' Oil Revenues, 1961-1980	47
12.1	'Participation' and Corresponding 'Phase-In'	115
13.1	Arab Oil Cutbacks in November 1973	131
13.2	Arabian Gulf Crude Oil Prices	135
15.1	Crude Oil Balances in Selected OECD Countries, 1976 and 1980	155
15.2	Crude Oil Trade, 1980	156
16.1	Oil Production and Reserves	172
16.2	Arab Countries, United States, Japan, EEC and World Trade Matrix, 1980	173
16.3	Arab Imports from Oil-Importing Developing Countries	176
16.4	Identified Deployment of OPEC Surpluses	178
17.1	Estimated Global Coal Reserves	187
17.2	Arab and Global Proven Gas Reserves	188
17.3	Nuclear Energy: Installed Capacity, 1973 and 1980	190

FIGURES

2.1	The Network of Ownership of Major Oil Companies in the Gulf prior to 1974	9
2.2	Net Oil Imports of Non-OPEC Third World Developing Countries, 1977	22
3.1	OPEC's Organizational Structure	35
4.1	Oil Prices, 1971-1981	46
15.1	American Oil Imports	157