

[\(Japanese Version\)](#)

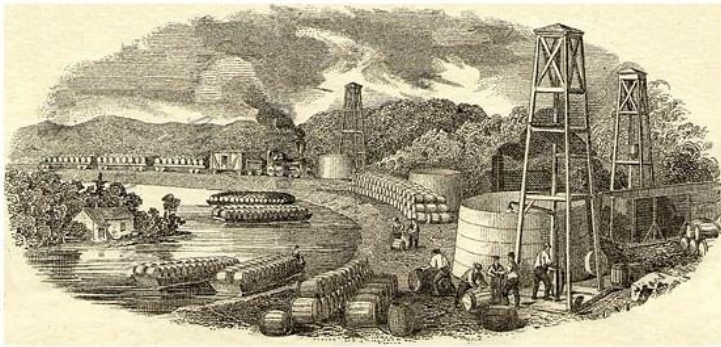
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The Peace on The Horizon - 75 Years after The World War 2 in the Middle East (68)

Chapter 3 The grace of Allah – Oil boom (5)

068 Inauguration of OPEC (1/4)



In 1948 just after World War II, the price of oil was \$ 2.8 per barrel. Barrel is a measurement unit peculiar to petroleum. In the old days when there was no specialized transport facility like a pipeline or tank lorry, oil was loaded in a wooden barrel on a coach and conveyed to consumers. One barrel is 42 gallons corresponding to 160 liters. Therefore, the crude oil price at that time was 2 cents per liter. It would be equivalent to 25 dollars at the present value taking into consideration the inflation ratio. This price was not much different from the one in 2015.

However, the oil-producing countries themselves could not get proper return. They got royalties and small amounts of dividends paid by Western oil companies like Seven Sisters. Oil producing countries negotiated with oil companies in search of better income. But their efforts had been meaningless. Western oil companies monopolized every fields of business from crude production, refining, distribution and marketing. Oil producing countries could not match with Western oil companies at all. Remember the incident in 1951 when Prime Minister Mossadegh of Iran tried to nationalize the oil industry. He was defeated by severe counterattacks of Seven Sisters.

(To be continued ----)

Areha Kazuya

(From an ordinary citizen in the cloud)