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## **"The Peace on The Horizon - 70 Years after The World War 2 in the Middle East"(28)**

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### **Chapter 3: The grace of Allah – Oil boom**

#### **3-6(28) Yom Kippur (Ramadan) War and Oil shock(2) Oil as a weapon**

It was on 23<sup>rd</sup> of August in 1973 that President Sadat of Egypt visited Riyadh in Saudi Arabia behind the scenes to ask King Faisal to participate in the Ramadan (Yom Kippur) War against Israeli which was planned to begin on October 6. At that meeting, Sadat asked Faisal not only military coalition but also proposed an important strategy to change the character of war entirely. That was an oil strategy. At that time, petroleum had become an essential energy for whole industry and resource for the entire world economy. Oil supply has been monopolized by Western oil companies including Seven Sisters. But the oil-producing countries that formed OPEC (Organization of the Petroleum Exporting Countries) were beginning to show formidable power.

For Saudi Arabia who acknowledged herself as a guardian of Islam, it is the mission imposed on the Saud dynasty to bring back Palestinian refugees back to their homeland. It is also the mission to regain Jerusalem, the third sacred place after Makkah and Madinah, from Israel. It was the testament of King Abdulaziz, the father of Faisal, who discussed with the US President Roosevelt in 1945 right after the World War II. On the Bitter Lake of Suez Canal, Roosevelt asked Abdulaziz to mediate between Jewish and Arab people. At that time Abdulaziz clearly asserted that there is no solution other than stopping the emigration of Jews to Palestine. However, as a result of the subsequent three wars in Middle East, the hope of Palestinian refugees went far away beyond the horizon.



Faisal was convinced that Saudi Arabia had got a chance to realize his long-standing wish using the oil as weapon. Faisal dispatched a confident Ahmad Zaki Yamani, then oil minister, to the neighboring oil-producing countries and asked them to share his idea. Not only the Gulf countries such as Kuwait and the UAE but also Iraq and Iran and even Libya and Algeria in North Africa had promised to participate in the oil strategy. When the Ramadan war had broken out and the oil strategy had been triggered, it proved that this weapon had shown the power far beyond expectation.

On 6th October 1973, the Ramadan War began with a surprise attack of Egypt and Syria. The Egyptian army had crossed the Suez Canal and landed on the Sinai Peninsula where the Israel had occupied after Six-Day War in 1967. On the Golan Heights, where also occupied by Israel since 1967, the Syrian army broke through the defense line of the Israeli army. Israeli troops were forced to struggle two-sided strategy, namely in the Sinai Peninsula and on the Golan Heights campaign. The war situation was as expected by Sadat at this time. There was a rumor that Israel had taken into consideration to use nuclear weapons as the ultimate strategy.

Israel didn't affirm or deny the possession of nuclear weapons, but it was a well-known fact that Israel concealed nuclear weapons. And no one in the world who had not questioned that Israel might use nuclear weapons for its survival when in danger. Israel might choose any means to win. This was true because Israel could expect strong support from the United States. Israel could glossed over saying "Even the United States had used nuclear weapon!" or "We could stop the war in an early stage by using nuclear weapons!". Generally speaking, the inhuman operations that victorious countries had made during the war were less likely to be seen as a problem after the war. Israel knew about it.

Fortunately the ultimate weapon was not used. The Israeli army quickly readjusted and counterattacked, resulting in the battle being in a stalemate on October 8th of the third day of the war. Critical situation which Sadat was afraid of came earlier than he thought. Sadat aimed to bring it into a ceasefire by mediation of a third country while his side was advantageous in short-term decisive battle. But his speculation resulted in failure.

Ahmad Zaki Yamani, oil minister of Saudi Arabia, moved quickly under the auspices of King Faisal who closely watched the progress of the war game. On October 8, OPEC proclaimed a revision of the Tehran agreement to the Western oil company. Six GCC countries declared to abolish the Tehran agreement on 16th and unilaterally raised the oil price by 70% (Kuwait Declaration). It was the moment when the oil producing countries took away the right of price determination from the Western oil companies. From this date onwards, the dominance of price fell under OPEC's control. OPEC became the real leader of the world energy issues.

The fury of oil-producing countries continued. On 17<sup>th</sup> October, 1973, OAPEC (Organization of Arab Petroleum Exporting Countries) notified the customers in the world that the oil supply to the countries who supported the US and Israel should be gradually reduced by 5% every month. It was the activation of oil strategy. Oil consuming countries around the world did not anticipate such actions by Arab oil-producing countries. Japan was one of the most affected country because she had no domestic oil resources and depended most of oil on Arab countries.

The war was leaning towards Israeli superiority. The anxiety of Sadat became a reality. He could not expected to appear the inter-mediator. By the United Nations the ceasefire was realized on October

22nd, 1973. Ramadan War (Yom Kippur War) was finally ended when the UN troops for monitoring ceasefire were organized on the 25th.

The petroleum strategy of oil producing countries continued for a while. It was a so-called "oil shock". In Japan there was a turmoil that toilet papers had gone out from the shelves of supermarkets.

(To be continued ----)