CHAPTER III
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THE ROLE OF THE ARAB OIL IN THE US
FOREIGN POLICY TOWARDS THE MIDDLE EAST
FROM 1967 TO THE END OF PRESIDENT NIXON's PERIOD

After the 1956 Arab-Israeli conflict there was a relative peace period between the Arab States and Israel. But since the beginning of 1965 and until the outbreak of the war in June 5, 1967, border clashes had intensified. Arab commando (mainly Palestinian) had organised themselves into a political and military group called Fatah movement to keep alive the awareness of the Palestinian problem among the Arabs. This group was given support initially by Syria. Subsequently, the movement started military action against Israel from the west and north of Jordan and at times from south Lebanon. The movement also operated from Golan Heights, south west of Syria. To halt the growing military activities by Fatah movement, Israel launched retaliatory raids against its neighboring countries, Jordan, Syria and Lebanon and by the beginning of 1966 the intensity of the Israeli raids on the Fatah bases in the neighboring countries had increased.
On July 15, 1966, plane combat between Syria and Israel had occurred and on August 15, both countries engaged in tanks, artillery, patrol boats and planes battles in the Lake Triberians. On November, 13, Israel launched its largest raid since 1956 conflict when it attacked several Jordanian villages in Irbid and Ajloun. Jordan took the issue to the United Nations General Assembly where Israel was reprimanded.

However, by 1967 it was apparent that neither the United Nations nor the two super powers were able to reduce the growing tension between the Arabs and Israel. On April 7, 1967, Syria and Israel engaged once again in airplane, artillery and tank battles. This incident sent ripples in the Arab world and the Arab countries expressed their solidarity with Syria and demanded Nasser to take immediate action as per the provisions of the agreement he concluded with Syria in 1966.

On May 13, Nasser received reports from diplomatic and intelligent sources that Israel was massing army on the Syrian border to attack Damascus. And, inspite of his army being preoccupied with the Yemeni civil war, Nasser put his

army on full alert on May 15, and on the following day he began massing forces on the Israeli border. He also asked the United Nations Emergency Forces (UNEF) to leave Egypt. Subsequently, the UN Secretary General U Thant withdrew all UNEF which kept peace between Egypt and Israel for ten years. As a result the Israeli and Egyptian forces were on the brink of war. The US was tied down by the Vietnam war and the domestic crisis it generated. To avoid another international crisis the US administration opted to react in a measured fashion to the growing tension in the Middle East.

On May 22, Nasser blockaded the Straits of Tiran (which Israel had always declared would be a casus belli) and thus the freedom of passage through the Gulf of Aqaba to the Israeli Port of Elat was denied. President Johnson described Nasser's decision as a clear violation of international law. He also mentioned that the US was firmly committed to the support of the political independence of all nations in the Middle East and would oppose aggression in the region by any State. Meanwhile, powerful Israeli leaders like Moshe Dayan were putting pressure on the Israe-


3. Ibid.
government to reopen the Strait and end the blockage by taking an immediate military action against Egypt. The US response was to request Israel not to use the war option. Similar appeal for restraints were made to Egypt.

On May 31, the US representative to the UN introduced a resolution in the Security Council calling all parties to abide by the UN Secretary General's appeal to exercise restraint, to abstain from belligerent actions and to pursue peace by diplomatic means. Nasser rejected the resolution and ruled out the possibility of reopening the Strait of Tiran to Israeli passage.

By the end of May Israel raised doubts about the US support and they felt isolated from the Western countries. On May 30, Jordan had signed a security treaty with Egypt and Syria, fearing a possible Israeli aggression. Subsequently, the Arab States unitedly amassed large number of troops on the Israeli border.

To ease the tension, the American administration sought an international declaration by maritime powers affirming the rights of all nations to use the Strait of

5. AL-Ahram, June 1, 1967.
Tiran. It was hoped that such a declaration would be followed by a Red Sea regatta composed of many nations, including Israel as that would affirm the international nature of the waterway. But the lack of US firm action and the feeling of diplomatic isolation from the West made up the Israelis to go for war to protect their interest. The Israeli Cabinet voted for war on June 3 and set the date for the 5th.

In the early morning of June 5, 1967, Israel launched air attacks on the Egyptian airfields and subsequently on Jordan, Syria and Iraq. Israel's strategy was to destroy the Arab air power, so that it could increase the maneuverability of its ground forces. These attacks paralyzed the Arab air power and Israel within a short period captured the Sinai desert and the Gaza strip from Egypt, the West Bank and the eastern section of Jerusalem from Jordan and the Golan Heights from Syria.

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After the overwhelming Israeli victory, the issue was taken to the Security Council of the UN and a ceasefire resolution was moved in the council. The Arabs demanded a complete Israeli withdrawal to the June 5 line before any ceasefire could come into effect. On the other hand, Israel asked for an unconditional ceasefire. The US supported the Israeli demand, while the Soviet Union supported the Arab's demand.

However, when the Soviet Union realised that the war was going against the Arabs, it decided to accept the unconditional ceasefire resolution, 234 as a first step toward peace in the Middle East. The resolution was unanimously approved by the Security Council on June 6. The first country to accept the resolution from the Arab world was Jordan, followed by Egypt. But both countries protested that the Israeli forces were still carrying military operation on their borders. On June 9, Syria agreed to the ceasefire resolution, but the fighting continued on the Syrian border until June 11. It appears that the US at that time thought the outcome of the war was for its advantage since its ally had won the war against the Soviet clients. Indeed, had the Arabs won the war the Soviet

position would have been strengthened in one of the most crucial region for the US economy.

THE 1967 ARAB OIL EMBARGO

The increasing tension between the Arabs and Israel in late May 1967 and the US support to Israel led the Iraqi government to call for an Arab Oil Ministers meeting in Baghdad on June 4, 1967 to discuss the political conditions in the Arab world. On June 1, all the Arab Oil Ministers accepted the Iraqi invitation and met in Baghdad on the scheduled date and discussed three future strategies namely: to stop the shipments of oil to any country supporting any Israeli attack on the Arab countries, to warn the foreign oil companies to carry out the decisions of the Arab countries and to ask the other oil-producing countries to co-operate with the Arabs over the sale of oil to their enemies.

However, the Baghdad Arab Oil Ministers conference faced two major difficulties. The first was the international oil companies which were operating in the Arab world

under profit-sharing agreements were mainly American and British companies, thus there was a strong possibility that these companies would not abide by the decisions of the conference. The second was the Gulf oil-producing countries were heavily dependent on oil revenues for financing their economic and social plans, thus these countries would find it difficult to adhere to the conference decisions.

While the conference was in progress, the Arab-Israeli war broke out on June 5. Subsequently, the Ministers decided to stop the shipment of oil to any country assisting Israel in its aggression against the Arab countries. The conference decided to put an immediate oil embargo against the US and Britain, for these countries were accused by Egypt of giving aircover to the Israeli attack.

Initially, Saudi Arabia, Kuwait and Libya were hesitant to impose the oil embargo. However, when the outcry among the Arab masses had increased, these countries joined the embargo for the sake of demonstrating their solidarity with other Arab countries. The US did not take the Arab decision seriously, because it knew that the international oil companies could compensate the US domestic oil shortage. Moreover, what was more important to the US was to reduce the Soviet influence by defeating its clients.
Therefore, the US continued its support to Israel despite the Arab decision to stop the oil shipments to the US market.

THE ARAB POLITICS AND THE OIL EMBARGO

Ever since the Arab countries gained their independence, they had never adopted a united posture towards the regional or international political developments. The radical Arab countries led by Nasser of Egypt was closer to the Soviet Union, but the conservative Arab countries led by Saudi Arabia wanted to espouse the cause of Islam and was adverse to have any close relation with the communist Soviet Union. The Yemeni crisis continued to divide the Arabs. Saudi Arabia and the other conservative Arab states insisted on the complete evacuation of the Egyptian forces from Yemen as a prerequisite for any settlement in Yemen.

With their defeat in the June war, differences among the Arabs regrading the solution to the problems relating the occupation issues had increased. The radical Arab states were demanding the embargo to be continued till Israel withdraws from the occupied territories, whereas the conservative Arab states wanted the embargo to be lifted. The conservative's argument, presumably with the support of the US, was based on the following four considerations:
first, there was no clear evidence that the US or Britain gave military support to Israel during the war; second, the Arab world would soon become overly dependent on the Soviet Union, thus fall a prey to communism; third, the Arab oil-producing countries were losing large amount of oil revenues which could be used to strengthen the Arab states' defence capabilities and its position in world affairs; and fourth, there was a possibility of British occupation of the oil fields in Kuwait and other Gulf States.

On June 18, the Foreign Ministers of the Arab League member countries held an emergency session in Kuwait to discuss the strategy of the embargo. Egypt, Syria, Iraq and Algeria made a proposal for a complete stoppage of oil production. The proposal was strongly opposed by Saudi Arabia, Libya and Kuwait arguing that their economy would be endangered more than that of the consuming countries due to the loss of uncompensatable oil revenues. After the proposal for a complete oil stoppage was rejected by the three main oil producers, it was agreed by all to continue the embargo against the US, Britain and West Germany. The latter was added to the list of embargoed states due to its military and financial aid to Israel. The oil imposed on Rhodesia and South Africa before the war was also to continue. Iraq, alone, stopped its shipment of oil to Italy for its pro-Israel stand in the United Nations.
By June 1967, Iraq, which was carrying a complete oil embargo against the countries that supported Israel, announced its resumption of oil export to 'friendly nations'. Libya resumed its oil shipment to France, Greece, Spain, Turkey and Italy for not supporting Israel during the war. Simultaneously, Saudi Arabia started taking an anti-embargo stand because in its view the embargo decision hurt the Arab themselves more than anyone else, and that the only ones to gain any benefit from it was the non-Arab oil-producers. On June 29, 1967, Saudi Oil Minister, Sheikh Ahmed Zaki el-Yamani stated: "if the oil embargo continued the Arabs stood to lose as much economically as they had already lost territorially". On July 7, 1967, Saudi Arabia officially called for ending the oil embargo against the US and Britain.

However, the severe criticism of Saudi Arabia's stand by the Arab radical countries and the refusal of other Arab conservative countries to join Saudi Arabia in its


endeavour to lift the embargo forced the Saudi government to revise its stand. On July 12, 1967 the Saudi government formally issued a statement denying that Saudi Arabia intended to lift the embargo against the US and Britain. The statement made it clear that King Faisal "had made no decision on resuming the oil supply." Simultaneously, the Saudi Arabia Oil Minister, Sheikh Ahmed Zaki el-Yaman, who was in a visit to Kuwait, also reiterated that Saudi Arabia was observing the boycott against countries which supported Zionist aggression. The US did not react vehemently to the oil embargo; so Saudi Arabia possibly felt that the embargo might not have had much effect on the US and this led the Saudis to believe that the embargo would harm the Arab themselves with no effect on the US economy or on its policy towards the region.

LIFTING THE OIL EMBARGO

In the Arab Ministerial conference which was held in Baghdad on August 15, 1967 there were four proposals for discussion: first, the Algerian proposal calling for the withdrawal of all Arab financial deposits for US and Brit-

ain; second, the Iraqi proposal calling for complete stop-
page of Arab oil for a period of three months in order to
exhaust the oil stock from the Western world; third, the
Kuwaiti proposal calling for the creation of Arab fund for
war and reconstruction; and fourth, the Egyptian proposal
calling for the creation of an Arab petroleum organisation
to deal with petroleum strategy. But at the end of their
meeting the Arab Ministers failed to endorse any proposal.
The most discussed proposal was the one presented by Iraq
and it was supported by Egypt, Syria and Algeria but was
opposed by Saudi Arabia and other conservative states.
However the ministers agreed to continue the oil embargo
against the US and Britain, though Saudi Arabia made it
clear that the Arab "countries should have the freedom to
meet at any time in the future to reconsider the embargo in
the light of any new development." The Ministers also
agreed to submit five resolutions for final approval to the
Fourth Arab summit to be held in August 1967, in Khartoum.
These resolutions were: (1) petroleum was an effective
weapon in the battle and its pumping should be stopped
totally, not merely partially, but permanently until the
consequences of Israeli aggression had been eliminated; (2)
the Arab summit in discussing this matter should take into

15. The Iraqi Ministry of Information, The Arab Oil Minis-
ter Conference, August 15, 1967, (in Arabic) (Baghdad
1967, p.32.
consideration the consequences of the above mentioned steps on Arab States in general and on oil-producing States in particular; (3) the Arab oil-producing countries should meet to work out joint plans with regard to the oil embargo; (4) withdrawal of Arab funds from the US and Britain, with the conversion of these funds into currency, other than sterling or dollars; and (5) a reduction in the volume of Arab investment abroad and the withdrawal of all investment from the US and Britain.

In the fourth Arab Summit conference convened in Khartoum, on August 29, 1967 a final agreement between Saudi Arabia and Egypt over Yemeni civil war was reached. Regarding the oil embargo and the Arab-Israel war of June 1967, the conferences took two important decision; first, it was agreed that oil-producing countries should resume their full production (nothing was decided about the resumption of oil shipment); and secondly, it was agreed by Saudi Arabia, Libya and Kuwait to pay $378 million yearly in aid to Egypt and Jordan until the consequences of the Israel aggression was eliminated. The conference failed to take any decision about the withdrawal of Arab financial deposits from the US and Britain. Subsequently, on September 2, 1967, Saudi Arabia announced officially that it is resuming its oil

16. Ibid., p.33.
shipment to all countries without exception. On the following day the other Arab oil-producing countries announced their resumption of oil shipment to the US and Britain.

ASSESSMENT OF THE 1967 ARAB OIL EMBARGO

The Arab oil embargo of 1967 failed to achieve its main objectives. It had no effect on the US attitude towards the Arab-Israel dispute. Instead, the US financial assistance to Israel had increased. The US had also continued its support to Israel in the international forums, especially, in the United Nations. In addition, the embargo did not deter the Western countries from offering their support to Israel during and after the war. In fact, the US was concerned about the growing popularity of President Nasser and felt that it could be checked by supporting Israel. Such a strategy the US thought was serving the US interest in the region more than appeasing the Arabs to restore the oil shipments.

The failure of the Arab oil embargo in 1967 may be attributed to the following reasons: first, the availability of enough oil stocks in the West and the use of alternative

sources of energy in the Western world; second, the oil operation in the Arab world were mostly controlled by the international oil companies; third, the lack of unity, will and determination on the part of Arab States; and fourth, the short duration of the embargo. However, the Arab oil embargo of 1967 had succeeded in some respects. The embargo was an experiment which demonstrated the shortcomings and the obstacles that might be faced by any future Arab oil embargo. In addition, the failure of the Arabs to achieve the intended objective through the embargo created a feeling in the US and in the industrial countries that the Arab world would not use oil embargo for political purpose; if they do, they could not sustain it for a long period, thus the US and most of the Western countries were caught unprepared in the 1973 Arab oil embargo.

GENESIS OF NIXON's POLICY

After the 1967 war, the Arabs took their dispute with Israel to the United Nations. Israel insisted that it will not withdraw from any one of the territory seized from the three Arab belligerents (Egypt, Jordan and Syria) during the war without direct negotiations leading to a permanent and lasting peace. The Arab States, on the other hand, declined to negotiate with Israel.
However, after a long debate the US and the Soviet Union succeeded in securing an agreement from the Israeli government of Golda Meir and the Arab States to the UN Security Council resolution 242 of November 22, 1967. But unfortunately the resolution appears to be written in an ambiguous language. The ambiguity had resulted from the difference in the English and French language phraseology of one provision of the resolution. The French language version specifies the withdrawal of Israeli armed forces from "the territories occupied" in the recent conflict, while the English language version specifies withdrawal of Israeli armed forces from "territories occupied" in the recent conflict. Israel cities the English phrase "territories occupied" while Arab signatories point to the French text's specification of withdrawal from the "the territories occupied". Israel argued that resolution 242 specifies the withdrawal from some of the occupied territories, the extent of the withdrawal being negotiable. On the other hand, the Arabs argued that the resolution specifies that Israel must withdraw from all of the territories it occupied in the conflict. It is possible that the ambiguity of the resolution was not accidental; it might be planned that way by the

framers of the resolution so that they could secure the agreement of all parties to the resolution. The other clauses of the resolution were very clear. They called for termination of all claims or state of belligerency and for acknowledgement of the sovereignty, territorial integrity, and political independence of every state in the area and their right to live in peace within secured and recognized boundaries free from threats or acts of force. The resolution affirmed the principle of freedom of navigation through international water ways, called for a just solution of the Arab refugee problem, and noted the necessity of guarantees for the establishment of demilitarized zones.  

When Richard Nixon became the President of the US, the Security Council of the UN was trying its best to resolve the Arab-Israeli dispute. Immediately after assuming office, President Nixon though pledged the US support for Israel, he was the target of much criticism from the Jewish community in the US because when he was the vice president of US in 1954, he had strongly accused the Jewish lobby in the US of misrepresenting America's Middle East policies. In addition, he was a strong advocate for the Eisenhower policy during the Suez crisis of 1956. It appears that

19. Ibid.,
Nixon came to power with the idea that some progress in the Arab-Israeli conflict was essential to improve the US position in the Middle East and to reduce the Soviet Union's influence in the region. Even before his accession to the Presidency, Nixon sent William Scranton, the then Governor of Pennsylvania, to the Middle East on a fact finding mission. On his return Scranton concluded that American foreign policy towards the region should be more "even-handed". Jewish Americans and Israel criticised Scrantons conclusion.

Just before Nixon became the President there were two separate schools of thought in regarding to the improvement of the US position in the Middle East. According to the first school the only way to improve the US-Arab relations was to resolve the Arab-Israeli conflict at an early date, while the second school called for relying on proxy States in the region, especially Israel and Iran to improve the US position in the region since a settlement of Arab-Israeli conflict would not be reached easily. Nixon saw some truth in both schools. Making Israel to adopt a flexible stand was the corner stone of Nixon's policy in the Middle East. It was to be pushed into an agreement with the Arab States and at the same time it should serve as an

American proxy. Nixon, according to Seymour Hersh, was contemptuous of American Jews, whom he saw as political enemies, but on the other hand, he admired the Israeli military capacity because Israel was able to use force successfully.

In January 1969, immediately after assuming office, President Nixon considered the Middle East as "very explosive" and "a powder peg" which needed to be defused and expressed his intention to take initiation in a new direction with the new leadership in Israel. He promised to tackle the Middle East problems along different fronts, with continuation of support to Ambassador Gunnar V. Jarring's Mission, both at a bilateral and Four-Power levels with France, UK and Soviet Union. He also promised to talk with Israel and the Arab states, and to give serious consideration to the long-run economic development in the Middle East. In addition, Nixon was also trying to protect the interests of the oil companies. In fact, the oil companies


had donated much for Nixon's campaign, including a secret gift of $100,000 from Gulf Oil Companies.

Therefore, it seems that Nixon assumed the office of the president, with already formulated US foreign policy goals towards the Middle East. He had the general framework and all what he had to do was to find suitable personnel who could carry it out. He appointed William Rogers as the Secretary of State and picked Henry Kissinger as Foreign Affairs adviser, who later became the Secretary of State. In his first press conference in January 1969, he stated that "I believe we need new initiatives and new leadership on the part of the US in order to cool off the situation in the Middle East". His new initiatives were the US continued support to the Jarring Mission, the US desire to carry on bilateral and Four-Powers talks in the UN, to maintain discussion with Israel and the Arab States and to offer regional economic assistance.


25. Ibid.,
In April 1969, the talks of the American and Soviet diplomatic representative had produced no results. During the talks, the Soviets called for unconditional Israeli withdrawal from the occupied Arab territories and the US called for withdrawal only under certain conditions that would ensure Israel security.

It appears that Nixon wanted to follow a two pronged Middle East policy. The first one was to build up some confidence in Israel by giving large quantities of more sophisticated weapons than what was given in the past so as to balance the Arab countries as a whole. The second was to give an image of "evenhandedness" because the even-handed policy gradually would warm the US-Arab relations which had been cooled since the 1967 war.

The beginning of May brought an official death to the Jarring Mission because of Israel's stress on direct negotiation among all the parties. On June 1, the Four Powers announced the recess of the meeting regarding the Middle East because of the Israeli rejection of any proposal aimed at withdrawing its troops from the areas it

27 On September 25, the Israeli Prime Minister Mrs. Golda Meir visited Washington and on 18 of the same month President Nixon, in a speech to the United Nations General Assembly stated that the US sought peace based on respect for the sovereign right of each nation to exist within secured and recognized boundaries. But what actually was happening was the continuation of the Arab-Israeli attrition war and the intensification of the verbal war between the Arabs and the US due to the alleged US encouragement to its citizens to take up arms under the Israeli flag against the Arab countries during 1967 war. And what made the US-Arab relations more problematic was the consequences of the nationalist revolution under the leadership of Muammar Quaddafi of Libya which had taken place on September 1, 1969.

Soon after Quaddafi seized power, he declared that the US and the Zionists were the greatest enemies of the Arab nation. He also announced that he would use Libya's oil revenues for the Arab national cause and supported fully the Arab demand for better payments for their oil. In addition, he removed all the US military installations from the Libyan soil.

27. AL-Ahram, July 1, 1969.
The Egyptian President Nasser, also, in one of his strongest speeches on November 6, 1969 attacked the US as being the enemy of the Arab nation. The US protested to the Egyptian government over the speech which the US described as a setback to the peace efforts. Egypt in fact was very upset over the US policy toward Israel as the US State Department had officially confirmed on September 6, 1969, that it had delivered Phantom jets to Israel. These Phantoms were capable of deep penetration into the Arab air space and of hitting and civilian military installations. Therefore, when Egypt began a war of attrition against the Israeli army in Suez area, Israel began deep penetration raids forcing the Egyptians government to accept a cease-fire. Such Israeli's attacks were possible because of US delivery of Phantom aircraft to Israel.

ROGERS' PEACE PLAN

In November 1969, William Rogers, the US Secretary of State, put forward a proposal which while reaffirming the UN Security Council resolution 242, called for direct and immediate negotiation between all the concerned parties. He stressed that there could be no lasting peace

in the region without a just settlement of the Palestinian problem which had resulted from the 1948 and 1967 wars. Rogers announced publicly on June 25, 1970 a new strategy which came to be known as the "Rogers' Plan" which provided a basis for peace settlement in the Middle East.

The Plan was proposed to be carried out by Jarring Mission and in accordance with the UN Security Council resolutions 242. The plan called for Israeli withdrawal from occupied Arab territories, Arab renunciation of the use of force against Israel, a 90-day ceasefire, beginning of negotiation under Jarring and Israeli acceptance of all provisions of the 1967 UN resolutions including resolution, 242 in return for a commitment by Jordan and Egypt recognizing the existence of Israeli as a nation. The Rogers' Plan seems to demonstrate the US government's desire to improve relations with the Arab world.

The so called Rogers' Plan was accepted by the two belligerent Arab States (Jordan and Egypt) and it was accepted in principle by Israel. However, Israel expressed reservation on the 90-day ceasefire clause. Israeli Prime

31. Ibid.,
Minister, Golda Meir complained that this would give sufficient time to Egypt and Jordan to install missile sites against Israel. Nevertheless, in accordance with the Rogers' Plan a ceasefire between Egypt and Israel came into effect on August 7, 1970. However, the Palestine Liberation Organisation (PLO) announced that it would not abide by the plan and threatened to continue its attacks on Israel. As a mark of protest against the PLO towards its stand against the Rogers' Plan, Saudi Arabia, Libya and Egypt announced stoppage of financial assistance to the Palestine Liberation Organization.

On August 13, Moshe Dyan, the Israeli Defence Minister charged that the Egyptian army had installed new missiles in the proposed ceasefire zone and demanded that the US should help restore the status quo. However, the US State Department spokesman declared on the following day that they had received no evidence about installation of missiles by Egypt. The Egyptian newspaper Al-Ahram charged Israel with obstructing the peace process and raking up irrelevant issues.

32. Ibid., August 13, 1970.
33. Ibid., August 14, 1970.
34. Ibid., August 15, 1970.
The concrete achievement of the Rogers' Plan was the ceasefire which was renewed on November, 6 1970 and again in February 1971. The ceasefire continued until the outbreak of the October war in 1973. But the peace talks broke down with the outbreak of the Jordanian Civil War.

THE JORDANIAN CIVIL WAR

After the 1967 war the PLO was gaining strength in Jordan and posed a threat to the authority of King Hussein. On September 6, 1970 some PLO members hijacked three passenger jets over Europe and took them to a desert strip in Jordan. And on September 9, a British Overseas Airways plane was also hijacked and brought to the same place in Jordan. The hijackers demanded the release of hundreds of their colleges languishing in the Israeli jails and the stoppage of the US support to Israel. Furthermore, they threatened that the US oil interests in the Arab world would be their next target. King Hussein condemned the hijacking. Soon their was a war between the Jordan army and the Palestinian militants. They Syrian army attacked the Jordan army on behalf of the Palestinians.

Since Syria was very close to Moscow, President Nixon saw the Syrian intervention as a Soviet challenge to the pro-Western government of King Hussein. He, therefore,
started an unprecedented high level co-ordination with the Israeli government for offering US help to a possible Israeli intrusion into Jordan and close the way in the face of the Syrian ambition.

Therefore, when the Syrian tanks crossed the border of Jordan presumably with Soviet knowledge, the US and Israel were well prepared to intervene with their air and land forces. The fear of a strong Jordanian military action and the Israeli and US intervention led Syria to pull back its troops.

President Nixon and his National Security Advisor, Henry Kissinger, realized that Israel could serve as a bullwork to keep the Soviet Union away from the region. Therefore, the US thought of strengthening the image of Israel as an important ally against the Arab clients of the Soviet Union.

**SADAT'S PEACE EFFORTS**

With the death of Nasser one of the irritant in US-Egyptian relation was removed. The new President, Anwar Sadat, by temperament an anti-communist; unlike Nasser, he was not the flamboyant crusader of Arab nationalism. To

consolidate his power, the new Egyptian President, had to show some interest in a possible disengagement agreement along the Suez Canal with Israel. For the US, this new move came as a breather. Israel also announced its willingness to resume negotiation with Egypt and Jordan.

However, President Anwar Sadat was very cautious in his dealings with Israel as he regarded it as "an imperialist State, intent on expanding her territorial boundaries and colonizing newly acquired territory to make it a permanent part of Israel". But he was prepared for entering into direct peace talks with Israel provided Israel withdraws its forces from the occupied Arab territories during the war of 1967 and a suitable solution could be found to the problem of Palestinian refugees. Sadat also expressed the hope that a settlement could be reached leading to the opening of the Suez Canal. However, at that time Israel was not prepared to withdraw its forces to the pre June 5, 1967 lines. It insisted that direct negotiations should lead to a binding agreement and rejected the idea of the withdrawal from the occupied Arab-territories. Egypt, on


other hand, insisted on a complete and immediate Israeli withdrawal from the occupied Arab territories. Due to the diversity of approach to the problem and the US reluctance to put pressure on Israel no significant progress was possible in the Middle East peace process.

ROGERS' NEW PEACE PLAN

Secretary of State, William Rogers continued his effort to bring about a settlement in the Middle East. In early 1972, he presented a new six-point programme centering on an interim Egyptian-Israeli agreement on the Suez Canal. He outlined his plan as follows:

"the Canal agreement would be the initial step to implement the 242 resolution. It hoped the cease-fire would help to find common understanding between the parties on this issue. The most significant aspect of an interim agreement might prove to be that it established the principle of withdrawal looking to an overall settlement as a fact rather than a theory. Ways must be found for altering and strengthening the supervisory mechanism which have existed in the area for the past two decades. Arrangements must be made to permit the stationing of Egyptian forces on the east bank of the Canal. The Canal must be open to passage for all nations without discrimination".

It appears that the US thought of the new plan because if felt that the Middle East had become a stabilised region especially after the death of Nasser and after the new Syrian government had adopted a moderate stand regarding the full control of King Hussein over the situation in Jordan.

In explaining the new Plan, Rogers stated that this plan provided the protection of the legitimate rights of all the concerned parties, including that of the Palestinians. Thus, the US moved towards a verbal acknowledgement of the Palestinians (referring to the legitimate interests of the Palestinian people), but the US was not prepared to put pressure on Israel to make some concessions. This policy of the US continued until the outbreak of the October war of 1973 between the Arabs and Israel.

SADAT AND THE SOVIET UNION

During 1972 there were some serious consultations between the Soviet Union and the US regarding the Middle Eastern region. Both the Soviet Union and the US cautioned

the Arabs and the Israelis alike to avoid taking rash action which might lead to a renewal of hostilities. Moreover, the Soviet Union did not agree to the Egyptian demand for more offensive weapons in order to take action against Israel and to exercise full control over the Suez Canal. According to Alvin Z. Rubinstein, the Soviet Union would not accommodate Sadat because it did not wish to antagonize the US and run the risk of "rupturing the detente."

Subsequently President Anwar Sadat asked all the Russian military advisors (said to be 40,000) in Egypt to leave the country and took over the Soviet military bases in Egypt. Moreover, all the top Egyptian officials identified as pro-Soviet were purged from the government. Sadat actions gave a clear message to the US to become more interested in a possible association with Egypt.

Egypt's anti-Soviet actions did not affect the US-Israeli relations. The US aid to Israel increased. The comparable figure for 1969-1975 (excluding the emergency aid


of $2.2 billion for the October War) was $310 million. According to Willard A. Beling, the Nixon administration was reluctant to appease Egypt because of the constrains imposed by the US domestic politics as the Republicans hoped to win as much as 40 per cent of the Jewish vote in the coming presidential election.

Israel for its part, instead of withdrawing from the occupied territories, tightened her grip over them by endowing more Jewish settlements in Sinai, West Bank, Golan Heights and the Gaza strip. In spite of all this, the Arab countries including Egypt hoped that the US would persuade Israel to withdraw from the occupied Arab land and adhere to the 242 resolution. In fact, as rightly pointed out by Arnold Hottinger they had good cause to be optimistic, because by 1973 energy crisis was a reality in the US and the Arabs hoped that growing need for Middle Eastern oil would result in increased US pressure on Israel.

42. John Francis Roehm, "Congressional Participation in Foreign Policy: A study of congress's Role in US Foreign Policy Vis-a-Vis the confrontation States in the Arab-Israeli conflict from the Yom Kippur War to the end of the ford administration", Ph.D. Dissertation, University of Pittsburgh, 1980, p.44.


44. Ibid., pp.282-284.

THE ENERGY CRISIS

The US concern about an energy crisis in the immediate future was gradually growing. The US economy was becoming more and more dependent on foreign oil when its prices were increasing. Sheikh Ahmad Zaki el-Yamani, the Saudi Oil Minister, in a speech to the Middle East institute in Washington on September 30, 1972, offered to expand Saudi Arabia's oil output to 20 mb/d in return for a privileged status for Saudi investments in the US and basic modifications of the US policy towards Israel. This offer was rejected by the US government because of the fear that such an offer would encourage the West European countries and Japan to forge close relations with individual Arab countries and that such a trend would undermine the US political influence in the region. The US continued its arms shipments to Israel under the excuse of maintaining the balance of power between the Arabs and Israel.

THE EMERGENCE OF KING FAISAL

It appears that when the US realised that an energy crisis would be imminent if the Arabs joined hands, it started a heavy economic programme with the government of Saudi Arabia so as to prevent it from closing its rank with the Arabs. Despite US pressures, Saudi Arabia never broke rank with the Arab countries in spite of its differences with Egypt over the Yemen crisis. In fact, Saudi Arabia along with the other Gulf countries was the major financier to the Palestine Liberation Organisation. Saudi Arabia earned a good name among the Arab countries because of its sympathetic attitude towards the plight of the fellow Arab Palestinians. Saudi Arabia, in spite of being anti-Zionist and anti-Israeli, could have good relation with the US because like the US it was anti-communist.

In 1972, king Faisal paid a visit to Egypt and held lengthy discussions on the security of the region with President Sadat. Sadat yielded to Faisal's demand for desocializing the Egyptian economy because Saudi government was not prepared to finance Egypt's socialist economy. In addition, Sadat purged all the communists from his government. Saudi Arabia and the other Arab oil-producing countries started helping the economy of Egypt and financing the other confrontation states' (Jordan and Syria) to purchase
of arms. The huge oil revenue enabled Saudi Arabia to play a leading role in the Arab world. King Faisal of Saudi Arabia after the death of Nasser had become the hero of the Arab world. The normalisation of the Saudi-Egyptian relations, therefore brought King Faisal with his huge oil revenue and President Sadat with his abundant manpower to join hands to serve the Arabs' cause.

Saudi Arabia thought that it could play an important role in Arab politics because of its oil wealth. On September 29, 1972, the Saudi Oil Minister said:

"Oil is the chief source of energy today, and so long as there are sufficient resources of it to keep it flowing it will continue to be so... Whenever the energy shortage is the subject of discussion, the Kingdom of Saudi Arabia, as the owner of the largest proved oil reserves in the whole world and of vast unexploited areas when the geological and geophysical tests indicates the presence of huge amount of oil, emerges as an important factor."

The oil revenue had given to Saudi Arabia a self confidence in its ability to play a leading role in the Arab world. Saudi Arabia along with the OPEC countries decided

to increase the price of oil and along with a OAPEC countries of using oil as a political instrument to achieve the aspirations of the Palestinians.

THE RETHINKING OF USING THE OIL WEAPON

When the Arabs realized the importance of their oil, they started diplomatic efforts using their oil as an instrument to isolate Israel and the United States. This effort had brought some success in Africa. Many African countries had broken off their relations with Israel, especially after the Algeris conference of the Non-aligned States which took place in August 1973. Many European countries also were cautious in dealing with the Arab problems because of their increasing reliance on Arab oil. But the US continued to support Israel in the United Nations. The US vetoed a UN Security Council resolution in July, 1973 condemning Israel for its continued occupation of Arab territories.

Such a US support for Israel in the UN despite global aversion to Israel policy was due to the fact that the US believed that the Arabs would never get together in one platform. And until the last minute of the October

War of 1973 most of the US political analysts and politicians ruled out the possibility of the Arabs using their oil as a weapon against the US and Israel.

President Nixon in a press conference in September 1973 did not give much importance to the Arab oil power. He stated that the Arabs cannot drink their oil and they might lose the markets if they attempted to use their oil as a weapon. He cited Mossadegh, the premier of Iran in the early 1950s as an example of the failure of the use of oil for political purposes.

However, it appears that the Arab governments shrugged off the warnings of Nixon and his officials. The Arabs especially King Faisal and President Sadat thought that they could exercise the leverage they possess against Israel and the United States.

But unlike King Faisal, president Sadat was not willing to wait until the Western dependence on Arab oil increased so that the Arabs could more effectively use it as

49. Ibid.,
Faisal was cautious about the use of oil as a weapon. But he, however, was determined to liberate Palestine and the third Holy City of Islam - Jerusalem. Faisal said in the one interview "I want to go and pray in Jerusalem before I die". King Faisal believed that the creation of Israel was nothing but a zionist-communist-imperialist conspiracy against Islam. The King said:

"we cannot and will not ignore the forces which oppose our efforts today. There are the evil forces of imperialism and the sinister forces of Judiasm and Zionism and the forces of communism. As to imperialism, it opposes our preaching of Islam because it knows that Islam is a religion of love, and a religion of equality... As to Zionis, they know that co-operation between Moslems would put an end the evil expansionist idea of international Zionism in Islamic and Arab countries... As for the communists, they are attacking us because Islamic movement is going to destroy all that communism stands."

The Arabs, according to a study carried out by the Economic Council of Arab League in 1972, did not rule out an economic embargo against the energy-consuming world in order to put pressure on Israel. The report though did not call


for an embargo, it noted that restriction on oil production would bring pressure on the consuming-nations to alter their uncompromising policy towards Israel.

OCTOBER WAR AND THE ARAB OIL EMBARGO

Towards the end of the year 1973, the Arabs were disappointed with the US policy in the Middle East. Kissinger had repeatedly told the Arab diplomats in Washington that the Middle East problems would take many months and years to be solved. Therefore, the Arabs concluded that it was futile to expect that the US in the near future would change its policy in the region. The only Arab option therefore, they felt, was to go for a war with Israel.

The October 6, 1973 war caught the US unaware and it was unprepared to stop it. Kissinger initiated his diplomatic efforts to put an end to the war and to stop it from spreading to the other fronts. He discussed the issue with the Foreign Ministers of Egypt and Israel. but his efforts failed to bring about a halt to the on going war. Perhaps the US did not take any unilateral action during this war because of its determination to preserve the spirit

55. Ibid.,
of detente with the Soviet Union, the costs involved and the opposition of the US public opinion to the US involvement in a far away Middle East.

On October 6, a full scale war erupted in the Sinai desert and on October 7 in the Golan Heights. Egypt claimed that 400 of its tanks had crossed the Suez Canal to the east bank and at the same time Israel claimed the destruction of most of the bridges that the Egyptian army had used to cross the Canal. In the Golan Heights front, the Syrian land forces severely attacked the Israeli forces along the border. The Arab goal was to liberate the land they lost during the 1967 war. But unfortunately for them Israel enjoyed air superiority on both the Egyptian and Syrian fronts and therefore the Arab forces were defeated.

At the outset of the war, it was believed that the Arabs would not use the oil weapon against the US and the pro-Israeli Western countries. In fact, the US did not expect the war itself to take place as it was over confident of the superiority of Israel military forces and believed that it would not be to the advantage of the Arabs to go to war with Israel.

To put an end to the war, the Egyptian president proposed a formula for a ceasefire based on a final peace settlement between all the parties, which would take into
consideration the outcome of the 1967 war. Israel rejected this proposal. In another development, the Foreign Ministers of four Arab States (Saudi Arabia, Morocco, Algeria, and Kuwait) visited Washington and had talks with Nixon and Kissinger about a final and honorable peace settlement with Israel. At the end of the talks, Saudi Arabia's Foreign Minister described their discussion as fruitful and expressed his faith in the US government's willingness to bring about a peace settlement in the region.

But, in spite of the outcome of the US-Arab talks in Washington, the OAPEC members met in Kuwait on October 17, 1973 and decided to use their oil as an instrument of political power to serve their cause against Israel.

OAPEC members were systematic in the use of the oil weapon. They decided to impose oil embargo on certain countries taking into consideration their respective stands in the Arab-Israeli war. The countries which had joined hands to impose the embargo were Saudi Arabia, Kuwait, Libya, Algeria, UAE, Bahrain, Qatar, Egypt and Syria. Iraq was increasing its oil production thus breaking the embargo. Iraq argued that it did not have enough monetary reserves to

solve its numerous economic problems. It did, however, take 'anti-western action' by nationalizing the American and Dutch shares of the Basra Petroleum Company. Moreover, the Iraqi Oil Minister, Saedun Hammadi, pointed out that Iraq was increasing its production to help friendly states only. The embargoed countries decided by the OAPEC members were divided into different categories. On the total embargo list were those nations which were considered to be friends of Israel. The US was at the top of this list then followed by Netherlands because of its pro-Israel stand during the war and because of some reports which showed that the Dutch had allowed Soviet Jews to migrate to Israel through its territory. In November 1973, Rhodesia, Portugal and South Africa were also placed on the embargo list. The OAPEC members also decided to suspend shipments of oil to Canada because they feared that the oil might be reshipped to the US market. The countries exempted from the embargo were the Arab and Moslem countries, Spain, France and Britain. These countries were allowed to purchase the same amount of oil as they had purchased in the first nine months of 1973. But, since the fourth quarter of the year was winter, these countries were expected to feel the pinch. The remaining countries were classified into the non-exempted category. These countries had to share what was left from the oil production after the needs of the exempted countries had been met.
The OAPEC members also agreed to cut their October exports of oil by a minimum of 5 per cent from the September level with another of 5 per cent to be followed during every succeeding month. The communique issued after the OAPEC Oil Minister meeting stated.

"...the Arab Oil Ministers meeting in Kuwait today decided to reduce their oil production forthwith by not less than 5 per cent of the September (1973) level of output in each Arab oil-exporting country, with a similar reduction to be applied each successive month, computed on the basis of the previous month's production, until such time as total evacuation of Israel forces from all Arab territory occupied during the June 1967 war is completed, and the legitimate rights of the Palestinian people are restored."

After the Kuwait meeting, the Arab countries were left to implement the embargo strategy each in its own way. On October 18, the Saudi Arabia Royal Cabinet decided to reduce oil production immediately and until the end of November by 10 per cent. The Cabinet indicated also that efforts to get the US government to modify its stand on the on going war and its military assistance to Israel had been initiated. It warned that if these effort did not produce tangible results soon, then the Kingdom would stop its oil export to the United States.

Subsequently, Iraq announced 10 per cent increase in the prices of its oil. Algeria declared its intention to reduce its production by 10 per cent. Kuwait which had already adopted an immediate 10 per cent cut in production on October 21, embargoed oil shipments to the Netherlands for its hostile attitude towards the Arab rights and pro-Israel bias.

During the war the US could control the conduct of the war. Since the US believed that Israel army would win the war easily, the US did not send arms to Israel. But once the US saw Israel was no longer in control of the war against the Arabs, it approved a $2.2 billion military aid to Israel. As a result, Israeli forces took possession of an additional piece of Syrian territory and were only 21 miles from Damascus. In the Egyptian front the Israel had established a bridge head on the Cairo side of the Suez Canal and were rapidly entrapping the Egyptian army that had crossed the Suez Canal into the eastern side. Following the massive deliveries of American military aid to Israel, the embargo of Arab oil to the US, already recommended at the October 17 meeting, was imposed unilaterally by Abu Dhabi on October 18, by Libya on October 19, by Saudi Arabia and Algeria on October 19, by Kuwait and Qatar on October 21 and by Oman on October 25.

After the cessation of military operations, the Arab Oil Ministers held their second meeting on November 4-5, 1973, in Kuwait wherein they attempted to use oil as a weapon for accelerating the process of reaching a peaceful and just settlement of the Arab-Israel conflict. At the end of their meeting the ministers decided that the initial reduction in oil production shall be 25 per cent, to be followed by 5 per cent in December. It was also decided that meetings would be held from time to time in future, as the need might arise to follow up the implementation of the decisions and their effects. The OAPEC decision caused a total reduction of about 2,826,000 billion barrels a day or 28.5 per cent below the September average. According to the US Department of States Office of Fuels and Energy, the possibility of compensating for the Arab embargo by increasing oil imports from non-Arab producers was virtually nil. This situation created a fear that energy dependence on Soviet Union could lead to the application of the same tactic, thus the possibility of compensating for the Arab oil by oil from Soviet Union was ruled out. The production of US oil could be raised but only to a small extend because any significant jump could permanently damage the oil wells.

The immediate economic response to the Arab oil embargo of the Nixon administration was to enlist public support to a crash programme aimed at removing the US dependence on foreign oil at the end of the decade. He announced what was known as 'Project Independence' which was meant to meet the growing energy demands from domestic resources. Nixon stated that "Let us set as our national goal... that by the end of this decade we will have developed the potential to meet our own energy needs without depending on any foreign sources". In addition, Nixon argued that self sufficiently in energy would enable the US to serve peace at both the national and international level. He said: "Our ability to meet our own energy need is directly linked to our continued ability to act decisively and independently at home and abroad in the service of peace, not only for America but for all nations of the world".

Partly in view of the helpful attitudes which gradually developed in Western Europe and Japan and partly because of relative success of the efforts for reaching a peaceful settlement in the area, a trend towards reversal of


the embargo was noticeable. The Arab Oil Minister convened a meeting in Vienna on November 18, 1973 to review the measures to be undertaken in order to implement their embargo decision. At the end of their meeting they decided not to implement the 5 per cent production cutback as it applied to the European Common Market countries, with the exception of Netherlands, as a reward to their political stand on the Arab-Israeli conflict. However, they decided that the originally decided 5 per cent production cutback for the said month would apply to non-European countries. They also decided to continue the oil embargo previously decided to the US and Netherlands.

On November 28, 1973, the Sixth Arab Summit conference held in Algeris, decided to maintain the oil embargo on countries supporting Israel and to maintain a progressive cut in oil production to the extent that the reduction in income accruing to any of the producing-country should not exceed one-quarter on the basis of the 1972 income level. They also decided to form a committee composed of the Arab oil-producing states mainly to draw up a list classifying states in accordance with the following categories. Friendly countries, and countries supporting the enemy and to follow up the implementation of the decision on

the use of oil. The conference decided to continue using oil as an economic weapon in the battle until such time as the withdrawal from the occupied Arab territories was completed and the national rights of the Palestinian people were restored.

On December 8, 1973, the Arab Oil Ministers met in Kuwait to discuss the embargo strategy for the month of January 1974. The Ministers decided that the reduction for the month of January will be 5 per cent of December's production level. In addition, they decided that: first, if agreement concerning the withdrawal of Israel from all territories occupied since the June war of 1967, with foremost priority to Jerusalem and in accordance with a fixed timetable, was signed by Israel and its implementation was guaranteed by the United States, oil embargo to the United States would be lifted with the beginning of the implementation of the above mentioned withdrawal. In fact, The Arab countries while continuing their oil embargo, they emphasized that the use of oil was just an instrument of flexible persuasion for the purpose of ensuring respect for the rules of international order in the region.

64. Ibid.,
65. Ibid.,
However, on December 24-25, 1973, the Arab oil minister met in Kuwait and decided to increase their production level by 10 per cent of the September production level with effect from January 1, 1974, and not to apply the further reduction for January. Thus the production cutback became 15 per cent instead of 25 per cent. They also decided to reconsider their policy toward certain countries. The communique issued after their meeting states:

"...the assembled Ministers hope that the desire of the US Government to participate in the search for just and peaceful settlement of the problem will be fruitful and will lead to results beneficial to the peoples of the world and in particular to bilateral relations between the Arab and American people". However, they decided to continue the embargo on both the US and Netherlands.

From the beginning of the oil embargo it was obvious that the main reason for the Arab decision was to draw the attention of the world, particularly the US, to the Arab cause and to create a political atmosphere for the implementation of the UN Security Council resolution 242. Omar Sakkaf, the Saudi Foreign Minister when he asked about the reason for the oil embargo against the US said:

"we cut oil supplier to the US, after US, which had repeatedly assured us of our rights to our land, made massive arms deliveries to the Israelis, to


68. Ibid.,
help them remain in our land. We did so not to impose a change in the US policy in the Middle East but to demand the implementation of the US policy in the Middle East, as it had been repeatedly defined. We did so not to 'blackmail' the American people, but to put our case to them as effectively as we know how."

Belaod Abdelssalam, the Algerian Minister of Industry and energy, put the Arab objectives of the embargo in the same vein:

"we are not, and we have not, contrary to what has been often reported asking the US to change its policy. We simply have asked the US to change its action to its stated policy. One of the tenets of US policy has always been the refusal to recognize or accept the acquisition of territory by force. This is something that has not only been stated and repeated frequently by the US, but also was voted by the US as a member of the Security Council of the UN, which ordered the evacuation of Arab lands seized by Israel in the June 1967 war. All we are asking is that the UN resolution by carried out."

The United Arab Emirates Oil Minister, Sheikh Mana Saeed AL-Ottaiba justified his government decision of imposing the embargo when he said:

"Abu Dhab's Government has decided to cut oil supplies to the US until it changes its aggressive stand against the Arab nation... This measures

will be extended to any country which allows the same aggressive attitude towards the Arab nation in its battle of destiny."

The oil embargo was, imposed mainly against the US on the assumption that the US would impose certain pressures on Israel to implement the 242 resolution and that the US would reduce its military aid to Israel. As aptly put by Nadav Safran, since Israel with the American aid overwhelmingly demonstrated a capability to hurt the Arabs in a significant way, their concern with Israel became an investment in their own securely. The Arab Oil Ministers repeatedly made it clear to the world community and to the American people in particular that their action was not designed to hurt them. The Ministers had shown their willingness to co-operate with every one, and they were ready to supply the whole world the needed oil, but they stressed that the Israel aggression could not be tolerated by them.


THE EARLY INDICATION OF THE ARAB INTENTION TO USE THE OIL WEAPON

The Arab decision of cutting off the oil production and the subsequent oil embargo on the US and the Netherlands according to Marwan Bohyri, broke one major assumption of the US policy in the Middle East, i.e., the Arabs would not use the oil as a weapon.

Of course, some American officials did anticipate the use of oil as a weapon. In April 1973 James Akins, Director of the State Department's Affair of Fuels and Energy Policy said: "In 1972 Arabs in responsible or influential positions made no less than 15 different types of threats to use oil as a weapon against their enemies". In May 1973, Charles Yost, the former US Ambassador to the UN felt that the Arab really could blackmail the United States. Conservative Arab states also were hinting of using oil to achieve their goals. Though there were special

73. Marwan Bohyri, Arab Oil and US Threats of Internation, op.cit., p.10


75. Quoted by Henry R. Nau, "The Internation political Economy of Food and Energy: Journal of International Affairs (Fall-Winter 1977), p.332.
and long-term good relations between Saudi Arabia and the US, Saudi Arabia was, according to Tareq Y. Ismael, disgusted with American policy in the Middle East and seriously considering the imposition or restraints on the oil production.

From the many statements made by King Faisal, it is clear that he was willing to use oil as a weapon to put pressure on the US so that the latter could use its influence with Israel to make it adopt a moderate policy in the Middle East. Sheikh Ahmed Zaki el-Yamani was reported to have conveyed the Saudi intention to the American government during a visit to Washington in April 1973. In July 1973 it was for the first time that oil and the Arab-American relations were being linked directly and in public. King Faisal himself issued a warning that Saudi Arabia would find it difficult to continue cooperation with the US in the petroleum field unless Washington moves towards a more balanced policy in the Middle East.

77. Ibid.,
However, it was believed that till late July 1973 the Gulf-Arabs were reluctant to use the oil weapon, but the immense pressure put on them by the countries directly involved in the confrontation with Israel made them to agree to using oil as a weapon. It was reported that when Sadat pressed on Faisal to use the oil weapon, the latter told the former: "Give us time; we don't want to use our oil as a weapon in a battle which only goes on for two or three days and then stops... we want to see a battle which goes on for long enough for world public opinion to be mobilized". To Saudis the use of oil as a weapon at that time was unwise. One Saudi official said that the world Zionism wanted to weaken the oil weapon by causing it to be applied prematurely.

The growing Saudi involvement in the Arab-Israeli conflict raised the fear among the American officials that Saudi activism would ultimately bring down the monarch, which might then be replaced by a Quaddafi-line regime.


Saudi Arabia began to react adversely to the US policy in the Middle East since July 26, 1973, when the US vetoed a UN Security Council draft resolution which expressed serious concern at Israel's lack of co-operation with UN Middle East efforts, strongly deplored Israel's continuing occupation of Arab territories and reaffirmed resolution 242 of 1967. Saudi demand was that the US should put pressure on Israel to compel it to accept the Arab interpretations of resolution 242 and to stop US arms shipments to Israel.

The Arab threat of using oil as a weapon was demonstrated symbolically on May 15, 1973, which marked the anniversary of the creation of Israel. Kuwait, Iraq, Algeria and Libya halted their production for a short time. This was regarded as a message to the world that Arab oil-producers could and would use their oil power against the US and other pro-Israeli countries at an appropriate time.

On September 4, 1973, King Faisal told the American people via the US television network that American support to Israel makes it extremely difficult for the Saudis to continue supply the petroleum needs of the US and even to maintain the US-Saudi friendly relations. On the

82. Ibid.,
same day, the Saudi Prince, Saud AL-Faisal in an interview with a Lebanese newspaper said that oil was not artillery shell but an enormous weapon. He added:

"All economic weapons need study and time for their effectiveness to appear... Arab policy is called upon today to persuade the American and European citizens that their interest, are with the rights of the Arabs and that we don't want to harm them... We must tell the American and European people that we want to defend ourselves, not harm them."

King Faisal began to feel that as a result of his vehement opposition to communism and radicalism, his friendship with the West was taken too much for granted. By October, it appeared that the government of Saudi Arabia might use its threat if the US administration would not put pressure on Israel to withdraw from the Arab territories it had occupied in 1967. On October 12, 1973, it was reported that Saudi Foreign Minister warned his American contrapart that oil production would be cut if the US supplied arms to Israel. On the same day a message from ARAMCO based in Rihyadh sent to the American officials stressed that the government of Saudi Arabia had informed them that it might


out of its oil production and a more substantial move would be taken if the US continued its support to Israel. The last Saudi warning came on October 18, when the Saudi government urged the US to change its present stand toward the waging of war between the Arab nation and Israel and to stop its military assistance to Israel. The Saudi government's statement stated: "If the Saudi effort to compel the US to take a neutral stand should not bring about, immediately, a sensible result, Saudi Arabia will halt its oil export to America."

However, it is important here to note that each time King Faisal made some reference to the use of oil as a weapon against the West, one of his aids would hasten to inform the US officials that it was meant only for domestic Arab consumption. Perhaps this inconsistency in the Saudi stand about the threat of the use oil weapon can be cited as one of the reasons for the US to be caught unprepared when the oil embargo was imposed and for the failure of the US intelligence to predict the embargo.


US THREATS OF MILITARY INTERVENTION

The US reaction to the oil embargo was very quick. President Nixon stated in his memoirs: "From the moment the Arab oil embargo began we had worked unceasingly to end it". Kissinger said that the US would not be influenced by changing its policy because of the oil embargo and warned of the possibility of counter measures against oil-producing states.

The Arab, on the other hand, reacted sharply to Kissinger statement. Saudi's Oil Minister Sheikh Ahmed Zaki el-Yamani, one day after Kissinger statement, warned that the Arab states could cut production by 80 per cent if the US, Japan, or the ECC took punitive counter measures against the Arab. He added that his country might blow up some of its oil fields and installation in the event of any American military intervention. He admitted that the US could seize the oil fields; however, he said "If I am an American, or European or Japanese... I would also carefully consider what the Arab states have in their lands. I think what we

90. Ibid.,
have as an oil weapon is far greater". Two weeks later the Algerian President Houari Boumedienne reacted to US warning in strong terms. He said: "If the West tries to act with arrogance or to use force, it would suffer a catastrophe. All the wells will be set on fire, all the pipelines will be destroyed and the West will pay the price."

It appears that the US came to the conclusion that the US policy towards Israel would not get the full support of its allies. Henry Kissinger and the newly appointed Defence Secretary, James Schlesinger, decided that the time had come for the formation of a carrier task force of the US in the Indian Ocean. Subsequently, Schlesinger announced that a force had been dispatched and henceforth regular carrier visits to the Indian Ocean area would take place in order to protect the US interests in the Gulf. The policy of military intervention in the Gulf was not considered by the US as a serious option earlier, but when oil embargo started biting the US and Western economies by the end of 1973, American officials started issuing strong warnings and hints of a possible American military intervention in the Gulf. On January 7, 1974, James Schlesinger publicly warned the Arab states that his country might use

91. Ibid.,
92. Ibid., December 5, 1973.
force against them if the oil embargo were continued for a long time. Later it was announced that the nuclear powered frigate, the Binbridge would join the carrier task force in the Indian Ocean. The Arab countries reacted instantly to the Schlesinger warning and the US military move. Egypt, Syria and Libya announced their determination to carry out the embargo till the Palestinian problem was solved. Saudi Arabia and Kuwait announced that they would not terminate the embargo and reiterated their determination to blow up the oil fields and its installations in the event of any American military intervention to their countries. In a verbal message to the US officials, the Kuwait Foreign Minister was quoted as saying "the oil fields have been surrounded by an explosive belt, explodable the moment actual American military intervention is sensed." The Saudis also announced that they had placed explosive materials around their oil fields. The Arab determination to carry out the embargo and to explode the oil fields in case of any military intervention seems to have been taken seriously by the United States.


Between the American warning and the Arab continuation of the embargo, the Zionist militant groups in the US especially the B'ani B'irth group started an anti-Arab campaign. The Conference of the Presidents of Major Jewish Organisations and the Zionist Organisation of America were particularly active in this campaign. Full page advertisements in daily newspapers poured hate on Arab rulers in tones that some observers described it as verging on the incendiary.

SADAT PROMISE TO END THE EMBARGO

On February 18, 1974, Nixon decided to give diplomacy a chance and announced that Kissinger would make a trip to the Middle East on February 25. During his trip, Kissinger met with President Assad of Syria who showed some flexibility on procedural issues, but was tough in the continuance of the oil embargo. He also met with President Sadat on whom he heavily depended for advice in dealing with other Arab leaders. Kissinger also visited Israel, Saudi Arabia and Jordan to discuss with their leaders the political situation in the region. Kissinger found the Egyptian President ready to co-operate with the US and Kissinger

felt that he could rely on him. Sadat was somewhat flexible in his stand from the beginning. In December 1973, Kissinger had told Nixon in a memo: "Sadat promised me he would get the oil embargo lifted during the first half of January and said that he would call for its lifting in a statement which praised your personal role in bringing the warring parties to the negotiating table and making progress thereafter". Nixon had followed it up in December 28, with a letter to Sadat in which he wrote: "I must tell you in complete candor that it is essential that the oil embargo and oil production restriction against the US be ended at once". Nixon also stated that Sadat had sent him a message through the US representative to the UN, Shirley Temble Black, who had seen the Egyptian President privately; the message read: "I will lift the embargo... I will lift it for President Nixon."

THE OIL EMBARGO AND THE PEACE PROCESS

The eight months that followed the October 1973 embargo, witnessed an unprecedented American interest in searching for a peaceful settlement to the Arab-Israel

97. Ibid.,
98. Ibid., p.987.
conflict. Henry Kissinger, before becoming the Secretary of State had devoted little effort to the seemingly intractable issue dividing Israel and her neighbor and that he had not fully understood the energy crisis and the part played by Middle East oil in the international economy.

However, after the 1973 oil embargo, the US administration began to press on Israel to accept Palestinian representation in the negotiation process, which Israel had earlier never accepted. On November 7, Kissinger promised the Egyptian President Anwar Sadat that the US would try to arrange some form of Palestinian participation in the Middle East Peace negotiations. However, on December 6, Kissinger maintained that the participation of the Palestinians and the role they might play at the proposed peace conference would be settled by the parties to the conference.

On December 13, Kissinger sent a message to the Israeli Prime Minister in which a clause stipulated that in


the first stage of the conference the issue of extending invitation to the Palestinians and the Lebanese would be discussed. The following day, Golda Meir, at a special cabinet meeting, called this proposal a "deceit" and rejected it. Subsequently, Kissinger agreed to remove that clause from the prepared draft initiative. President Nixon also promised Golda Meir in a private message that no part or organisation would be invited to the conference without the approval of all the participants. The US tried from the first day of the October war to bring about a ceasefire between the Arabs and the Israelis. It tried to reach an agreement on disengagement of the forces in all the fronts, lifting the oil embargo and initiating negotiation towards a peace settlement.

The Israeli government showed its willingness to arrive at an agreement on the disengagement of its forces in the Suez front. But the Arabs stressed that a progress towards disengagement should be done on all fronts. The Arabs argued that an agreement on ceasefire on Suez front only would give advantages to Israel on other fronts and that Israeli artillery would out number the Jordanian,

Syrian and Paestinian artillery. In addition, they argued that if such an agreement was made, the Arab-Arab relations would deteriorate, especially between Syria and Egypt. King Faisal of Saudi Arabia refused to lift the embargo if a ceasefire only on Suez front was reached. He argued that once the embargo lifted, its reimposition would be very difficult because there might be a lack of Arab unity and the surprise factor would not be there. The more Kissinger got concession from Israel for an agreement on disengagement of forces, the more king Faisal was pressed to persuade the OAPEC members to lift the oil embargo in recognition of the American efforts.

The US tried for a ceasefire and disengagement of forces in all fronts. The US supported the UN Security Council resolution 338 which called for immediate cessation of hostilities, a return to positions held on October 22, and the dispatch of UN observers to supervise the ceasefire. Egypt and Israel accepted the ceasefire resolution. Syria accepted the resolution under the condition that Israeli should withdraw from the territory which it had occupied during the 1967 war.

However, the fighting continued on both the Suez and Golan fronts. The Israeli forces successfully surrounded the Suez city and thus completely isolated the Egyptian
Third Army. Meanwhile, the Egyptian army, which was situated in the north of the Suez, continued the war. To relieve the isolation of its Third Army, Egypt requested the US and the Soviet Union to help in the implementation of the ceasefire. On October 24, the Egyptian President asked the Soviet Union and US to dispatch forces to supervise the ceasefire. However, the US rejected the Egyptian President proposal of dispatching American troops to the region because it did not want the Soviet Union to sent forces to the region and wanted the USSR to be away from the Middle East. But it did show willingness to have peace talks with the participation of the Soviet Union and to have negotiations between the conflicting parties in the presence of Soviet and American diplomats. On October 26, the UN Security Council passed the resolution 340 which called for the despatch of a multinational security forces to the Middle East without the participation of the Soviet or American troops. This resolution was welcomed in Washington because it denied the Soviet entry into the region.

In the meantime, the Arab oil embargo continued and the Arab leaders reiterated their stand of not lifting the embargo till all their demands had been met. The Arab

determination added more difficulties for the US and Western economies. Subsequently, the Western countries felt that they were paying the price of the US policy in the Middle East and this caused an unprecedented strain in the US-West European relations. Yet, President Nixon and Kissinger characterized the projected OAPEC meeting in February, 1974 as yielding to the logic of American pressure and suggested that failure to put an early end to the embargo would be interpreted as a form of blackmail by the United States. The OAPEC reacted by postponing its February meeting.

During his visit to Saudi Arabia and Kuwait President Assad of Syria was promised by the Saudi and Kuwaiti officials that the embargo would not be lifted till a successful disengagement agreement in Golan front and assurances regarding the Palestinian rights were reached.

By November of 1973, it became evident that the US suffered a lot from the October Arab-Israeli War, especially when the Europeans started openly opposing the US policy in the Middle East. The European governments denied access to US planes and ships bound for Israel to their ports and

airfields. The Europeans, in fact, were outraged because the Americans did not consult them during the Soviet-American consultations on the Middle East.

On November 5, Kissinger again started a visit to the Middle East. His first stop was in Morroco. His main aim was to open the channels of negotiations with the Syrians and Palestinians through King Hassan. On November 7, he met President Sadat in Cairo, Sadat demanded that the Egyptian Third Army should not be at the mercy of Israel. Kissinger assured Sadat that Israel would respect the ceasefire, that non-military resupply to the Third Army Crops would be allowed with UN and Israeli inspection of convoys, that the town of Suez would receive food, water, and medicine, concurrently with the agreement of non-military supplies, Prisoners of war (POW) should be exchanged and the naval blockade lifted, and the October 22 line could be discussed in the framework of the disengagement of forces. After the Cairo meeting, Kissinger sent two of his aides, Joseph Sisco and Harold Saunders to Israel, to present the peace plan which was worked out by him and Sadat. Israel agreed to the plan after considerable persuasion from Sisco, Saunders and the US Ambassador to Israel, Kenneth Keating.

On November 9, the US and Egypt with the concurrence of Israel submitted to the UN Security General a six-point agreement. The agreement called for: first, observance of the ceasefire by both sides; second, both sides would agree to a disengagement of forces under the auspices of the UN; third, Suez town would receive adequate supplies of water, food, and medicine; fourth, there would be a permanent carrier to permit food and water to proceed through Israel lines to the Egyptian Third Army; fifth, the UN would assume control of all check points on the Cairo-Suez road; and sixth, all prisoners of war would be exchanged.

From Egypt, Kissinger flew to Jordan where he had talks with King Hussien and encouraged him to participate in the peace negotiations. The final station for Kissinger was Saudi Arabia where he made an appeal to King Faisal to support his diplomatic efforts. Kissinger stressed that the oil embargo was an obstacle in American efforts. However, the Saudi King informed Kissinger that the oil production

cutback would not be lifted unless Israel withdrew from the territory occupied by it during the 1967 war.

The Arabs for the first time in their struggle with Israel were applying a different form for their linkage strategy. What made the strategy credible was the impression in the world that, despite the military performance of the Arabs, the Arab oil embargo started biting as there was an energy crisis in the world, the unity among the oil-producers in keeping the prices of oil at a high level would continue and the oil embargo would last so long as the US supported the Israeli aggression. The US showed signs of irritation at the Arab's use of the linkage strategy. The US and the Western countries disliked the linkage strategy and the US officials were publically denied existence of any linkage between the oil embargo and the disengagement negotiations.

On November 11, 1973 a ceasefire agreement on the Suez front was signed between Israel and Egypt and on November 14, there was another agreement on the exchange of POWs and by November 22 the exchange of POWs was completed.

108. Ibid.,
After failing to end the oil embargo and after admitting the hardships caused by the subsequent oil crisis, Kissinger called for a coordinated effort by Western Europe and Japan. He suggested the formation of a common energy committee which could prepare programmes within short periods. He expressed the US readiness to contribute a major share of the financial and technical needs for this purpose. He also advocated for a world wide body to deal with world energy problems. Saudi Arabia reacted sharply; its oil Minister, el-Yamani warned that the formation of a consumer's consortium would lead to a confrontation with oil producing nations and that could have disastrous consequences.

The outcome of the Israeli election strengthened the labour party coalition and but Golda Meir continue to be the Prime Minister. On January 4, Moshe Dyan, the Defence Minister went to Washington to have talks with Kissinger on disengagement. Dyan proposed five zones in which the disengagement could take place. He also proposed that each country should not place its artillery and SAMs in any area from which they could reach the other country. Dyan also urged Kissinger to tour the region and help to bring about an agreement.

On January 11, 1974, Kissinger began another visit to the Middle East by flying into Aswan in Egypt where he met with President Sadat. The next day he flew to Israel and met with the Israel Cabinet and handed over a map of the Israeli proposed disengagement line. On January 13, Kissinger handed over the proposal to President Sadat in Aswan and Sadat accepted the Israel proposal and promised to work for the lifting of the oil embargo once the agreement was implemented.

On the 14th of January, Kissinger went back to Israel, then to Egypt and back again to Israel on the 16th. In Egypt he secured an agreement from Sadat to scale down the Egyptian presence on the east bank of Suez Canal to eight battalions and thirty tanks. Kissinger was very successful in the mission as he secured an agreement between the governments of Egypt and Israel. The disengagement of forces was announced simultaneously in Cairo, Jerusalem and Washington on January 17th. After the agreement, President Sadat flew to Riyadh, then to Damascus and finally to Kuwait on January 19th to explain his position. However, he was condemned by the other Arab leaders for his unilateral

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action without any prior consultation with them. Kissinger flew to Amman and Damascus on January 20 and discussed with King Hussien and President Assad the possibility of their participation with Israel in a peace negotiation. And on January 21, Kissinger left for Washington with a strong speculation that the disengagement agreement might lead to an end to the oil embargo.

The most important result of Kissinger's shuttle diplomacy was the increase of US influence in the Middle East. The US prestige in the region was also on the rise, and it even seemed to hold the trump cards in the region as never before.

As per the Egyptian-Israeli agreement, Israeli and Egyptian military force were to be separated by a UN buffer zone parallel to the Suez Canal and that both the Egyptian and Israeli forces were to be removed, leaving behind only a very limited number of men and military equipments. The disengagement agreement had broadened the vista of peace. President Sadat had committed himself to it and Israel also agreed to demobilize large parts of its army immediately after the signing of the agreement.
Since the disengagement agreement did not bring about a halt to the war on the Syrian front and Israel was not prepared to vacate the occupied Syrian territory, the Arab leaders, except Sadat, were disappointed.

The agreement made the Soviet Union to feel that it was left out and elbowed into a side by the American diplomacy. The Soviet Union wanted Israel to vacate all the occupied Arab territories. Consequently, it appears that, it encouraged the Syrians to keep the war on. However, after the Cyprus meeting between Kissinger and Gromyko and the American reassurance that its intention was not to exclude the Soviets from an influential position in the Middle East and that further negotiations would be initiated with Israel, the Soviet Union did not raise much objections to the agreement.

However, the Arab oil-producing countries belied the US hope that the disengagement agreement would lead to the lifting of the oil embargo. Kuwait announced that the ending of the embargo at that stage was premature and the oil embargo was still tied to the Israel withdrawal from all the occupied Arab territories and the restoration of the Palestinian rights.
By February, the effect of the oil embargo came to be felt in the US economy. It was reported that workers were being laid off and some companies were even shut off. On February 6, Kissinger announced that the American effort to restore peace to the Middle East had produced desired results, and that the continued oil embargo would constitute a form of blackmail which would have an adverse effect on the American attitude towards the Middle East.

In mid-February King Faisal, President Assad, President Sadat and President Boumedinie had a meeting in Algeris to discuss the political situation in the region and decided not to lift the oil embargo until there was further progress towards a Syria-Israeli disengagement agreement. After the meeting, the Egyptian and Saudi Foreign Ministers flew to Washington to inform the American leaders officially about the outcome of their meeting.

After the Arab decision to keep the embargo on the US, Kissinger began his fourth visit to the Middle East. He met with Syrian President Assad where he obtained a list of the Israel prisoners held by Syria and he delivered it to the Israel authorities. This was the first time Assad had given his co-operation to Kissinger's shuttle diplomacy.

Further more, Assad assured Kissinger that he would permit the International Red Cross to send observers to visit the prisoners in Syria to determine if they had been ill treated. Kissinger’s success in getting Assad’s co-operation was a significant development because it was expected to open the way for further negotiation since Israel had been insisting that it would not open negotiation on disengagement unless Syria handed over a list of all the POWs to it. However, Assad made it clear to Kissinger that if Israel offered any thing less than pullback to the pre-1967 ceasefire lines, he would break off the talks.

The second stop for Kissinger was Cairo where he met with President Sadat and full diplomatic relations between the US and Egypt were restored on February 28. Sadat promised Kissinger during their meeting that he would do his best to lift the embargo. He also proposed a line west of the town of Quneitra for the proposed disengagement between Syria and Israel and to send one of his officials to Assad to persuade him to accept the proposal. In addition, Sadat offered to rally an Arab backing for a Syrian-Israeli disengagement agreement.

112 AL-Ahram, February 29 1974
An Israeli proposal submitted to Kissinger specified three zones (one Israel, one UN, and one Syrian) all within the territory captured by Israel in the October war. According to this proposal, the city of Quneitra was to be entirely under Israel control. Syria rejected the proposal instantly and reiterated its demand for a complete Israel withdrawal from the occupied land. Kissinger tried to convince the Syrian President about the merits of the Israel proposal during his visit to Damascus on March 1. After his visit to Damascus, Kissinger flew to Riyadh where he voiced the American concern about the oil embargo. Kissinger promised King Faisal substantial US technical assistance would be provided to Saudi Arabia, only if the oil embargo was lifted. On March 2, Kissinger arrived in Amman which was the last stop of his Middle Eastern tour. He had talks for two days with King Hussein. He promised the King that the US would not recognize the proposed Palestinian State under the leadership of PLO and that Jordan would be included in any future negotiations.

Kissinger flew back to Washington on March 4, where he announced that both Syria and Israel had agreed to dispatch envoys to Washington for a discussion on the disen-

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113. Sameer AL-Malah, "Kissinger Diplomacy During the October War", International Politics, op.cit., p.70.
gagement details on the Golan Heights front. But he recognized that it would be impossible to reach a disengagement agreement between Syria and Israel without the Soviet participation. United Stated could apply certain pressure on Israel, but no one could do that on Syria but the Soviet Union. This implied that it would be difficult for the US to apply pressure on Israel in the form of stoppage of military equipments, unless the Soviets too did the same towards Syria.

LIFTING THE EMBARGO

It can be argued that the oil embargo against the US should go along with the new US active role in the Middle East as the US should be rewarded for its new reasonable stand. President Sadat had announced that the Arab oil countries should take note of the evolution of the US policy towards the Middle East. Though Sadat did not mention the embargo as such, he declared that the Americans had made a gesture and the Arabs should make one too. However, he urged the US to pursue a more evenhanded approach towards the Middle East. The American officials

continued to raise the issue of ending the oil embargo. President Nixon himself stressed that the embargo should be ended in order to allow the US diplomacy to work.

Consequently, the Arabs started retreating from their original demand that the lifting of the oil embargo was dependent on the Israeli withdrawal from all the occupied Arab territories. They demanded tangible progress on the Syrian-Israeli disengagement process. As a face saving tactics the Arabs attributed their back sliding, according to Edward F. Sheehan, to their fear that the embargo was causing much economic harm to Europe and not really harming the United States.

The OAPEC's Oil Ministers had several meetings in Tripoli and Vienna between 13th and 18th of March 1974 and decided in their last meeting at Vienna to lift the oil embargo against the United States. Though Syria and Libya refused to end the embargo at that time, they too fell in line by the end of the year. King Faisal stressed the importance of achieving a Syrian-Israeli disengagement within two months from the date of lifting the embargo and

the Arab Oil Ministers attached a provision to their decision, stating that the embargo could be reimposed if further progress towards a disengagement between Syria and Israel were not achieved. Algeria made it clear that the lifting of the embargo was provisional in nature and limited to the period expiring on June 1, 1974. Therefore, according to the Algerian government oil embargo was to be lifted for a limited period only after which it would automatically be reimposed unless another decision to renew the lifting of the embargo permanently was taken on June 1, 1974.

The communique which was issued by the Arab Oil Ministers at the end of their meeting on March 18 in Vienna in part stated:

"From the recent developments it became apparent to the ministers that official American policy towards the Arab-Israeli conflict has lately taken a new direction... The Arab oil ministers are aware that oil is a weapon that can be employed in a positive manner to yield more effective result than may be obtained from its use in a negative fashion. Therefore, they came out of their meeting with decisions for the employment of the oil weapon in a positive manner with a view to encouraging those countries which showed willingness and determination to strive for a just solution to the Arab question leading to the complete termination of the occupation and the restoration of the legitimate rights of the Palestinian people... In the light of the forementioned principles, objectives and facts,

the Ministers decided upon the following at the conclusion of their meetings. First, to treat Italy and the Federal Republic of Germany as friendly states and guarantee their oil needs. Second, to lift the embargo on oil exports to the United States of America. It being understood that this decision, as well as all the other decisions, will be reviewed at a meeting to be held by the Arab Oil Ministers in Cairo on June 1, 1974...

However, President Sadat gave yet another reason in his memoirs in 1977 for lifting the embargo. He stated that the Oil Ministers of the OAPEC decided to lift the embargo when "we realized it began to affect the interests of the American people... the moment we felt that the oil embargo had started to hit the American citizen it was lifted. Our objective was never to penalize the American or Western citizens, but simply to point out that a blind partiality to Israel has a price."

During the period of the oil embargo there was a strong linkage between its lifting and the Arab-Israeli conflict. Although Kissinger denied the linkage but, indeed, his Syrian shuttle was the price he paid to end the embargo. During all his visits to the Middle East he used to negotiate about the Arab-Israeli conflict with an eye on the oil

117. Ibid.,
119. Edward Sheehan, Step-by-Step in the Middle East, op.cit., p.27.
embargo. In fact, President Nixon himself acknowledged the linkage indirectly when he said: "Progress on the diplomatic front, while it is not linked to lifting of the embargo, inevitably has an effect on it." Therefore, he said, he "preferred to leave that decision to them because indicating what they will do might lead them to do otherwise."

In fact, it was the substantial progress in the drawing the world's attention to the Arab cause and the subsequent success achieved in the disengagement talks made the Arabs to reconsider their decision. The communique of lifting the embargo had outlined the linkage between the oil embargo on one hand and the drawing of world attention to the Arab cause, to the economic importance of the Arab world and the subsequent recognition of the Arab demands, on the other hand. The communique in part stated:

"... The ministers reassessed the results of the Arab question in order to create an atmosphere conducive to the implementation of UN Security Council Resolution 242 calling for total withdrawal from the occupied Arab territories and the restoration of the legitimate rights of the Palestinian people. The ministers noted that the said measures had altered world public opinion to the importance of the Arab world for the well-being of the world economy and consequently led to a recognition of the legitimate demands of the Arab nation..."

120. Department of state Bulletin, March 25, 1974, p.295;
121. Ibid.,
Lifting the oil embargo was not a failure in the Arab linkage strategy. In fact, the Arabs ended their embargo before seriously damaging the American economy simply because that would have had an adverse effect on their economy. One Saudi official was quoted as saying: "if the embargo were to remain, we see a major recession in America, that, in turn, would effect all of us adversely. Our economies, regimes, our very survival depend on a healthy US economy." However, Dunkwart A Rustow is of the view that the Arabs ended the embargo because it was improving America's international competition position since the US was less dependent on imported oil than the Europeans and the Japanese were.

Once the embargo was lifted the mutuality of interest between the US and the Arab states was emphasized by both sides. Soon after lifting the embargo Nixon had stated:

"It is in the interest of those countries that imposed it as well as the US that it be lifted. The two should be parallel. Inevitably, what happens in one area affects the other, and I am confident that the progress we are going to continue to make on the peace front in the Middle East will be very helpful in seeing to it that an oil embargo is not reimposed."


All in all, the Arab linkage strategy appeared to be a successful one. The avoidance of many obstacles along its road, the solid stand which was adopted by the Arabs in the face of the US threats of intervention, did not fail to impress world public opinion. And, despite President Sadat's tendency to strike out a path of his own, sufficient Arab consensus was maintained to assure the credibility of the strategy and to soften the impact of the threats of intervention by the United States.

THE ISRAELI-SYRIAN DISENGAGEMENT

Despite Kissinger's confidence in his ability to bring the Israeli and the Syrian officials to the negotiating table, the fighting continued on the Syrian front throughout April. Each party wanted to have full control over the Mount Hermon due to its strategic location as from the Hermon one could easily monitor any military movement inside both countries.

By the last week of April, President Assad was ready for negotiation with Israel under the auspices of Kissinger. Meanwhile, the newly elected Israel Prime

Minister, Yitzhak Rabin, began to form a new government which would enable him to arrive at a disengagement text satisfactory to Syria. Rabin was more flexible than his predecessor with regard to disengagement talks with Syria. He indicated a greater readiness to negotiate a peace settlement acceptable to Syria, though he did not agree to pull out from the entire Golan Heights area.

A new atmosphere of optimism for negotiation was created after the joint US-Soviet statement of 29 April which declared that the two nations would coordinate efforts to obtain a settlement to the outstanding Arab-Israeli conflict. Soon after this statement President Sadat saw not much hurdles for the success of Kissinger's diplomacy. He promised to put his weight on Syria to accept a reasonable agreement.

Subsequently, as a reward for the Egyptian President, it was announced that Nixon had planned to ask the Congress for a $ 250 million appropriation for economic assistance and a second grant of some $ 15 million to clear the Suez Canal. Nixon promised that US would assist Egypt

127. AL-Ahram, April 29, 1974.
128. Ibid., May 1, 1974.
in cleaning the Suez Canal by offering its technical assistance and to train Egyptian personnel to complete the reopening of the water way. In fact, the US too was very particular about reopening of Suez Canal because there was no superport in the US to accommodate the supertankers which used to ship the oil from the Middle East to Western Europe via the cape of Good Hope.

Given the fact that lifting the oil embargo was conditioned by further progress in the disengagement negotiation on the Syrian front, the US had to exert pressure to compel Israel to change its hard stand. For this purpose the US had to adopt the carrot and stick policy in dealing with Israel and a policy of getting help from a third party in dealing with Syria. Therefore, before Kissinger's departure to the region, President Nixon had sanctioned $1 billion from $2.2 billion in aid to cover the Israeli arms purchases. Meanwhile, Kissinger had talks with Soviet Foreign Minister, then with Sadat and Boumedienne and sought their support for the disengagement issue.

But, unexpectedly, on May 2, Israel gave a cold reception to Kissinger and voiced its concern over the US vote for a UN Security Council resolution condemning Israel for its raid in south Lebanon. In addition, the Israeli officials informed Kissinger that Israel would not under any
circumstances compromise on keeping part of Hermon Mountain under its control. As a result, Nixon had sent a letter on May 5, to the Israeli Prime Minister warning him that any negative action from his country would jeopardize the disengagement negotiation and would oblige the US to reexamine its relationship with Israel.

The next station for Kissinger in the Middle East was Damascus where he met with President Assad on May 5. Kissinger talked about Israel Prime Minister’s difficulties and the linkage between the Israeli internal politics and its foreign policy. President Assad during the meeting, though demanded that the disengagement line would have to go beyond the October 6 line, he showed some flexibility on the force limitation issue. After a considerable pressure from the US, Israel began to modify its proposal on the disengagement. Israel agreed to surrender part of the Quneitra city to Syria, but it insisted that the Western part of the city must remain under its control. On May 8, Kissinger discussed with Assad the new Israeli position regarding disengagement. President Assad, after long consultations with President Sadat began to seriously talk about making concessions regarding the disengagement lines. On May 16,

the US succeeded in inducing Israel to agree to pull back to a base near Quneitra's surrounding hills. Syria also agreed to that and dropped its insistence on having control of the hills west of Quneitra. Assad requested Kissinger to keep his effort on in searching for an agreement.

On May 20, Kissinger proposed a compromise formula for disengagement between the two parties. The new proposal called for: Israel to withdraw from the 300 square mile territory occupied during the October war and a partial withdrawal from the territory occupied during the 1967 war. Under this proposal the Hermon mountain was to be under the control of the UN. When Kissinger presented the proposal to Israel, it had demanded that Syria should commit itself to prevent any terrorist attacks from its side and a commitment that UN forces would continue its presence till both parties reached an agreement. Syria was not agreeable to this. So the impetus toward peace had slowed, and it appeared that it would be difficult to achieve the desired disengagement. However, on May 28, President Assad informed Kissinger that his country would not allow any

130. Sameer AL-Malah, "Kissinger Diplomacy During the October war", International Politics, op.cit., p.73.
131. Ibid.,
terrorist activity to take place from its disengagement lines. Subsequently, on May 24 Kissinger flew to Israel and there he announced that Syria and Israel had reached an agreement on the disengagement lines. On May 21, an agreement of disengagement was reached under which Syria was allowed to regain almost all the 300 square miles territory lost in the October war and a small area of the land occupied in the 1967 war. But the agreement allowed Israel to keep possession of mount Hermon. Under the agreement a buffer zone under the UN was also created. The agreement was signed in Geneva at the Palais des nations by the Israel General Shafir and the Syrian General Tayara on May 31. With the disengagement agreement between Syria and Israel being signed, the US diplomacy had achieved its main objective of ruling out the possibility of the reimposition of the Arab oil embargo. In addition, the agreement had given the US a new identify to enter into the Middle East.

On June 1, 1974, as it was scheduled earlier, the Arab Oil Ministers met in Cairo to review the political developments that had taken place in the region, and at the end of their meeting failed to take any decision, but agreed to meet again in Cairo on July 10, 1974.


133. Ibid., p.30.

134. Ibid.,
In mid June 1974, President Nixon visited the Middle East personally. His visit included Saudi Arabia, Egypt, Syria, Israel and Jordan. His visit was a success as it improved the US relations with these countries.

On July 10, 1974, the Arab Oil Ministers met in Cairo and reviewed the question of the oil embargo imposed on Netherlands and decided to lift the embargo imposed on that country as a gesture to establish good relation between the Arabs and the European Community.

The above analysis clearly shows that the US wanted to be in the good books of both Egypt and Israel. In the Egyptian front during the October war when Israel was in need of arms and ammunitions, the US rushed to help it. The US also persuaded Israel not to continue the war against Egypt as that would have destroyed the Egyptian army. During the disengagement process the US had continuously consulted the Soviet Union as it did not want to impair the détente because of the differences of opinion between them on the Arab-Israeli dispute.

The US did not want to appear that its diplomatic efforts in the Middle East was due to the energy problem faced by it and its allies. But at the same time the US made it clear to the Arab countries that if the US should
help the Arab cause through its diplomatic efforts, the Arabs should lift the oil embargo. Nixon administration made it clear to the Arab leaders that as there was a strong possibility of a backlash in US public opinion against them, if the embargo started directly hitting the US citizens and therefore, there was a need to lift the embargo before it could complicate the US diplomatic efforts in the Middle East. The US, of course, publicly adopted a posture that it was not at all influenced by Arab pressure. It continued its support to Israel as it did not want to disturb the cordial historical relations with Israel. The US was not prepared to persuade Israel to withdraw from all the occupied Arab territories as demanded by Kuwait conference of the OAPEC Oil Ministers on October 17, 1973.

The use of oil as a weapon by the Arab countries did not work as it was expected because: first, the Arabs were not having full control over the marketing of oil leading to the Arab oil reaching the Western markets in a clandestine fashion and second, since the oil distribution was managed by the International oil companies, they delivered non-Arab oil to the embargoed countries. However, the Arabs were, to some extent, successful in their linkage strategy as it achieved the disengagement of the troops on both Egyptian and Syrian fronts.
The US threat of military intervention could not scare the Arab countries from continuing the embargo as they knew that the US was not in a position to carry out its threat because of the dangers involved in such operation. The Arab determination to blow up their oil fields in the event of any intervention and the disillusionment of the American public opinion over the Vietnam war were the main factors in preventing a possible US intervention. In addition, it is possible that such a type of US intervention would lead to a conflict with the Soviet Union. The Arabs left it to the US administration to choose between having the embargo as a semi-permanent imposition or living with it as an Arab tactical weapon which they may use in the future. The US, of course, chose the second option because it provided certain advantages: it would be used only in the event of a war and that there would be no element of surprise involved in it. Therefore, the US started fostering its economic interdependence with the Arab oil-producing countries to prevent the possibility of the imposition of another embargo.

It is clear that since the October war of 1973, the oil has become a major factor than ever before in shaping the US policy towards the Middle East. The objective of the US after the war was to persuade both the Arabs
and the Israelis that they should go for a political settlement so that the deadlock over the Arab-Israeli conflict could be broken.

Oil has always been a factor in shaping the US foreign policy, but after the 1973 war it is of decisive importance. It may be noted that due to the strategic location of the Middle East and its possession of oil reserves, the US tried its utmost to prevent the Soviet penetration to the region ever since 1945. Since the continuation of the Arab-Israeli conflict would provide an opportunity for the Soviet Union to intervene in the region, the US made several attempts to resolve the conflict, especially after the 1967 war, one such important attempt was the Rogers' Plan.

Seeing the Middle East as a very explosive region because of the Arab-Israeli conflict, the success of an anti-American revolution in Libya and the spread of Nasser's Arab nationalistic ideology among the Arab masses, President Nixon between 1967 and 1973 had given much importance to the Soviet threat of expansion in the oil rich Middle East region. In fact, Nixon's initial worry was primarily due to the Soviet expansion in this oil rich region. Therefore, when the Jordanian Civil war broke out in 1970, the US
sided with the moderate regime of King Hussein against the pro-Soviet Palestinian militants and the Syrians who intervened on behalf of the Palestinians.