ABSTRACT

In the middle of the October War, oil ministers of OAPEC met in Kuwait and consulted on common oil policies toward the pro-Israel countries. In this 17 October meeting, ministers except the minister of Iraq agreed to a monthly 5 percent oil production cut in the following months. Furthermore, after the United States declared $2.2 billion support for Israel on 20 October, Arab oil producing countries imposed oil embargos against the United States, and afterward against the Netherlands. These measures caused the so-called "first oil crisis", which ended in July 1974.

There are excellent studies on the interactions among Arab nations which led to these OAPEC decisions. However, most studies emphasized Saudi Arabia’s role in making common Arab oil policies, but there are few mentions of other nations’ roles. This paper illustrates Kuwait’s role in formulating OAPEC oil policies before and after the October War. My research is based on recently opened diplomatic records, newspapers, and interviews with key persons, which are being conducted in Kuwait, the United Kingdom, and Japan.

In the early 1970s, Kuwait’s foreign policies were constrained by three elements. First, Kuwait felt threats especially from Iraq and Iran. Second, oil prices had been rapidly increasing following the Tripoli Agreement of 1970, which brought substantial revenue for Kuwait. Third, in the Gulf area only Kuwait had a working and outspoken assembly, which often represented the feelings of Palestinians who made up one quarter of the population in Kuwait. Under these conditions, Kuwait’s active oil diplomacy emerged in the beginning of 1973. This paper carefully traces the following stories, and suggests a new perspective to understand the background of the first oil crisis.