

Oil Revolution

Through innovative and expansive research, *Oil Revolution* analyzes the tensions faced and networks created by anticolonial oil elites during the age of decolonization following World War II. This new community of elites stretched across Iran, Iraq, Saudi Arabia, Venezuela, Algeria, and Libya. First through their western educations and then in the United Nations, the Arab League, and the Organization of Petroleum Exporting Countries, these elites transformed the global oil industry. Their transnational work began in the early 1950s and culminated in the 1973 to 1974 energy crisis and in the 1974 declaration of a New International Economic Order in the United Nations. Christopher R. W. Dietrich examines how these elites brokered and balanced their ambitions via access to oil, the most important natural resource of the modern era.

CHRISTOPHER R. W. DIETRICH is Assistant Professor of History at Fordham University. He has been awarded fellowships from the Woodrow Wilson Foundation, the American Historical Association, the National History Center, Yale University, the University of Texas at Austin, and the Society for Historians of American Foreign Relations.

Global and International History

Series Editors

Erez Manela, *Harvard University*
John McNeill, *Georgetown University*
Aviel Roshwald, *Georgetown University*

The Global and International History series seeks to highlight and explore the convergences between the new International History and the new World History. Its editors are interested in approaches that mix traditional units of analysis such as civilizations, nations and states with other concepts such as transnationalism, diasporas, and international institutions.

Titles in the Series

Stefan Rinke, *Latin America and the First World War*
Nathan Citino, *Envisioning the Arab Future: Modernization in U.S.-Arab Relations, 1945–1967*
Timothy Nunan, *Humanitarian Invasion: Global Development in Cold War Afghanistan*
Michael Goebel, *Anti-Imperial Metropolis: Interwar Paris and the Seeds of Third World Nationalism*
Stephen J. Macekura, *Of Limits and Growth: International Environmentalism and the Rise of “Sustainable Development” in the Twentieth Century*

Oil Revolution

*Anticolonial Elites, Sovereign Rights, and the
Economic Culture of Decolonization*

CHRISTOPHER R. W. DIETRICH

Fordham University



CAMBRIDGE
UNIVERSITY PRESS

Cambridge University Press
978-1-107-16861-9 — Oil Revolution
Christopher R. W. Dietrich
Frontmatter
[More Information](#)

CAMBRIDGE
UNIVERSITY PRESS

University Printing House, Cambridge CB2 8BS, United Kingdom
One Liberty Plaza, 20th Floor, New York, NY 10006, USA
477 Williamstown Road, Port Melbourne, VIC 3207, Australia
4843/24, 2nd Floor, Ansari Road, Daryaganj, Delhi – 110002, India
79 Anson Road, #06-04/06, Singapore 079906

Cambridge University Press is part of the University of Cambridge.

It furthers the University's mission by disseminating knowledge in the pursuit of education, learning, and research at the highest international levels of excellence.

www.cambridge.org

Information on this title: www.cambridge.org/9781107168619

DOI: 10.1017/9781316717493

© Christopher R. W. Dietrich 2017

This publication is in copyright. Subject to statutory exception and to the provisions of relevant collective licensing agreements, no reproduction of any part may take place without the written permission of Cambridge University Press.

First published 2017

Printed in the United States of America by Sheridan Books, Inc.

A catalogue record for this publication is available from the British Library.

ISBN 978-1-107-16861-9 Hardback

ISBN 978-1-316-61789-2 Paperback

Cambridge University Press has no responsibility for the persistence or accuracy of URLs for external or third-party Internet Web sites referred to in this publication and does not guarantee that any content on such Web sites is, or will remain, accurate or appropriate.

Cambridge University Press
978-1-107-16861-9 — Oil Revolution
Christopher R. W. Dietrich
Frontmatter
[More Information](#)

For Verónica

What in short is the truth's cash-value in experiential terms?
William James

Contents

<i>List of Figures</i>	page xi
<i>Acknowledgments</i>	xiii
<i>List of Abbreviations</i>	xvii
Introduction: The Cash-Value of Decolonization	I
1 One Periphery: The Creation of Sovereign Rights, 1949–1955	26
2 Past Concessions: The Arab League, Sovereign Rights, and OPEC, 1955–1960	61
3 Histories of Petroleum Colonization: Oil Elites and Sovereign Rights, 1960–1967	89
4 Rights and Failure: The 1967 Arab Oil Embargo	124
5 Nationalist Heroes: Imperial Withdrawal, the Cold War, and Oil Control, 1967–1970	158
6 A Turning Point of Our History: The Insurrectionists and Oil, 1970–1971	191
7 A Fact of Life: The Consolidation of Sovereign Rights, 1971–1973	228
8 The OPEC Syndrome: The Third World’s Energy Crisis, 1973–1975	263
Conclusion: Dead by Its Own Law	305
<i>Appendix I Chronology</i>	319
<i>Appendix II Anticolonial Elites</i>	321
<i>Bibliography</i>	325
<i>Index</i>	345

Figures

TABLES AND GRAPHS

Table 3.1 Exports of the Main Producing Areas, 1963	<i>page</i> 118
Graph 3.1 Government Income from Oil, 1942–1963	119
Table 7.1 Revenue Per Barrel, 1961–1970	232
Table 8.1 Trends in Terms of Trade, 1973–1980	300

PHOTOGRAPHS AND MAPS

Figure 0.1 Mahmood Maghribi, 1971	<i>page</i> 2
Figure 1.1 Djalal Abdoh, 1945	29
Figure 1.2 Mohammed Mossadegh, 1951	36
Figure 1.3 Gunnar Myrdal and Raúl Prebisch, 1952	43
Figure 2.1 Mohammed Salman, 1962	69
Figure 2.2 Libyan Oil Concessions, 1962	75
Figure 2.3 UN Commission on Permanent Sovereignty, 1960	84
Figure 3.1 Feisal al-Mazidi, 1957	101
Figure 3.2 OPEC Board of Governors, 1961	107
Figure 4.1 Raúl Prebisch, 1964	132
Figure 4.2 Mohammed Bedjaoui, 1975	155
Figure 5.1 Francisco Parra, 1968	165
Figure 6.1 ‘Izz al-Din al-Mabruk, 1973	219
Figure 6.2 Nadim Pachachi, 1971	226
Figure 7.1 Belaid Abdessalam and Ahmed Zaki Yamani, 1973	254
Figure 7.2 OPEC Meeting, 1973	258

Figure 8.1 Houari Boumedienne, 1974	265
Figure 8.2 Manuel Pérez-Guerrero, 1946	279
Figure 8.3 Gamani Corea and Manuel Pérez-Guerrero, 1974	280
Figure 8.4 Raúl Prebisch, 1974	285

Acknowledgments

Morris Zapp, the antihero of David Lodge's novel *Small World*, provides some insight into one academic neurosis: "Scholars these days are like the errant knights of old, wandering the ways of the world in search of adventure and glory."¹ The quixotic sentence drips with irony, especially when uttered by such a notorious pedant. Delusions of grandeur aside, scholars are rarely thrill-seekers or glory-mongers. But Lodge's mockery of his character becomes poignant at the center of the sentence when, in the swift transition from simile to explanation, he lets Zapp utter truth. Scholarship requires one to wander and the wandering is often errant.

The generosity of the History Department and College of Liberal Arts at Fordham University, the History Department and the Institute for Historical Studies at the University of Texas at Austin, International Security Studies at Yale University, the Society for Historians of American Foreign Relations, the American Historical Association, and the National History Center allowed for long research trips, dedicated writing time, and errant wandering.

Others have made my research less errant. Archivists and librarians helped track down documents at a number of institutions: the OPEC library, the Bodleian Special Collections at Oxford, the Manuscripts Division of the Library of Congress, the OECD archives, the IMF archives, and the UN archives and libraries in New York and Geneva. In addition, I thank the staff at the National Archives of the United States, the National Archives of the United Kingdom, and the Johnson, Nixon,

¹ David Lodge, *Small World: An Academic Romance* (London: Secker and Warburg, 1984), 63.

and Ford presidential libraries. The Inter-Library Loan staff at Fordham also merits my deep gratitude.

Fordham University provided funds to workshop an early version of this book, for which I am thankful. This book has also benefited from discussions at the Columbia Seminar on Twentieth Century Politics and Society, Yale International Security Studies, the Institute for Historical Studies at the University of Texas at Austin, the Cold War Seminar and Remarque Institute at New York University, the European University Institute, the Ramapo College Global Studies Colloquium, the International and Comparative Law Center at Mississippi College, the Decolonization Seminar of the National History Center, and many annual meetings of the Society for Historians of American Foreign Relations.

Benevolence characterizes my mentors and peers. Mark Lawrence and Michael Stoff of the University of Texas at Austin provided sage advice, sharp critical eyes, and good humor as advisers. They and other scholars encouraged me to tackle important issues with clarity. Thanks for that to Mark Bradley, Giuliano Garavini, Bob Vitalis, Monica Kim, Craig Daigle, Marilyn Young, Ryan Irwin, Laurie Green, David Painter, Jeremi Suri, David Oshinsky, Bill Brands, Amy Offner, Petra Goedde, Brandon Wolfe-Hunnicut, Bevan Sewall, Anand Toprani, Nate Citino, Victor McFarland, Jeremy Friedman, Paul Kramer, Frank Gerits, Douglas Little, James Goode, Roham Alvandi, John Darwin, Jason Parker, Philippa Levine, Paul Chamberlin, Nick Cullather, Brad Simpson, Joshua Davis, Marc-William Palen, Brett Bennett, Renata Keller, Jonathan Hunt, Sarah Steinbock-Pratt, Emily Brownell, Rachel Hermann and Wm. Roger Louis. My colleagues at Fordham – especially Asif Siddiqi, Kirsten Swinth, David Hamlin, Nicholas Paul, Maryanne Kowaleski, Mark Naison, Silvana Patriarca, Steven Stoll, Durba Mitra, Thierry Rigogne, Wolfgang Mueller, Saul Cornell, Susan Wabuda, Daniel Soyer, Sal Acosta, Doron Ben-Atar, Glenn Hendler, David Myers, Rosemary Wakeman, Carina Ray, and Michael Latham – have been supportive and, more importantly, kind.

Working at Cambridge University Press with Debbie Gershenowitz and her assistant, Kris Deutsch, has been an honor. The series editors – Erez Manela, John McNeill, and Aviel Roshwald – have been wonderful. The thorough comments of two anonymous reviewers pressed me to clarify my central arguments and my writing.

These people surely represent what is good about academic life, and many are also friends. Others whose company I enjoy are too many to list. Eli Wood and Asher Burk hosted me on research trips. Bernard Mommer provided an introduction at OPEC, photos from his personal collection,

Acknowledgments

xv

and a warm welcome in Vienna. My brother, Nathanael, has been a model of support. My parents, Rick and Robin, instilled from an early age what is mostly a healthy balance of optimism and pragmatism. Perhaps more importantly, they encouraged me to read and write ... and wander.

That I am a lucky person is confirmed to me every day by Verónica Jiménez Vega, for whom my love grows ever greater. She is the most spirited person I have ever met, with the possible exception of our son, Emiliano Dietrich-Jiménez. Without them my wandering may or may not have been less errant. But it wouldn't have been nearly as much fun.

Abbreviations

AAPSO	Afro-Asian People's Solidarity Organization
AJIL	<i>American Journal of International Law</i>
AOG	<i>Arab Oil & Gas</i>
CIEC	Conference on International Economic Cooperation
CWIHP	Cold War International History Project
DDRS	Declassified Documents Reference Service
DNSA	Digital National Security Archive
DOS	Department of State
ECAFE	United Nations Economic Commission for Asia and the Far East
ECLA	United Nations Economic Commission for Latin America
ECOSOC	United Nations Economic and Social Council
FRUS	<i>Foreign Relations of the United States</i>
GFL	Gerald Ford Presidential Library, Ann Arbor, MI
ICJ	International Court of Justice
IMF	International Monetary Fund
IMFA	Archives of the International Monetary Fund, Washington, DC
ION	<i>Inter-OPEC Newsletter</i>
ISIL	Indian Society of International Law, <i>The Asian-African States: Texts of International Declarations</i>
LBJL	Lyndon Baines Johnson Presidential Library, Austin, TX
LOC	Library of Congress, Washington, DC
MEED	<i>Middle East Economic Digest</i>
MEES	<i>Middle East Economic Survey</i>
NAM	Non-Aligned Movement

NARA	National Archives and Records Administration, College Park, MD
NIEO	New International Economic Order
NIEO: SD	UNITAR, <i>A New International Economic Order: Selected Documents, 1945–1975</i>
NSC	National Security Council
OAPEC	Organization of Arab Petroleum Exporting Countries
OAU	Organization of African Unity
OECD	Organization for Economic Cooperation and Development
OIC	OPEC Information Center, Vienna, Austria
OPEC	Organization of Petroleum Exporting Countries
PFAPC	<i>Papers of the First Arab Petroleum Conference</i>
PIW	<i>Petroleum Intelligence Weekly</i>
PPPUS	<i>Public Papers of the Presidents of the United States</i>
PSAPC	<i>Papers of the Second Arab Petroleum Conference</i>
RG 59	Record Group 59: Records of the Department of State
RNL	Richard Nixon Presidential Library, Yorba Linda, CA
ROAPE	<i>Review of Arab Petroleum Economics</i>
SDIPI	OPEC, <i>Selected Documents of the International Petroleum Industry</i>
SFAPC	<i>Study of the Fifth Arab Petroleum Conference</i>
UKNA	The National Archives of the United Kingdom, Kew, Richmond
UN	United Nations
UNA-G	Archives of the United Nations, Geneva, Switzerland
UNA-NY	Archives of the United Nations, New York, NY
UNCLS	UN Conference on the Law of the Sea
UNCTAD	UN Conference on Trade and Development
UNGA	UN General Assembly
UNITAR	UN Institute for Training and Research
UNOPI	UN Office of Public Information
UNSC	UN Security Council