

Although North America's first oil well was reportedly completed in Enniskillen Township in Ontario in 1858, it was Edwin Drake's well drilled at the Titusville, Pennsylvania seep in 1859 that is credited with launching the North American petroleum industry. This event also marks the beginning of the modern petroleum era – by 1871, more than 90% of the world's oil output was centred in the Pennsylvania fields opened by Drake's well. (Hunt, 1979)

The world's first 200 billion barrels of crude oil were produced in the 109 years between Drake's 1859 well and the year 1968. The next 200 billion barrels were extracted in a single decade, 1969-1978. With the stabilization of world oil output in the 1980s, it appears that the 1979-1988 decade will see the production of roughly another 200 billion barrels. This cumulative 600-billion-barrel output is estimated to represent more than one-third of the world's total original endowment of conventional crude oil.

For much of the 130-year modern history of the petroleum industry, the governments of producing countries had comparatively little influence over the development and management of the international oil business. As the industry grew, it was the major oil companies (the "majors") that controlled it, partly in their own right and partly with the help of their parent countries in what was generally perceived to be a loose alliance of interests.

Louis Turner, in his analysis of the international oil industry, suggests that the period 1954-1970 was the "golden age" of the industry, at least from the perspective of the multinational oil companies (Turner, 1983). The companies successfully coped with two major supply disruptions during these years – the Suez War of 1956-57, which saw the closure of the Suez Canal and Iraq Petroleum Company (IPC) pipelines, and the June 1967 Arab-Israeli War, during which the Suez Canal, the Trans-Arabian Pipeline (Tapline) and the IPC pipeline system were shut down. Generally the petroleum companies were free from restraint in their operations by either host or parent countries. The formation of OPEC in 1960 was a cloud on the horizon but the majors resisted most of the initiatives of that body through the 1960s.

Oil became in the twentieth century what coal had been to the Industrial Revolution. Oil fueled the internal combustion engine, which ushered in a new age of mobility. The development of refining spawned a new chemical industry. Oil became the leading commodity in international trade and commercial empires of enormous wealth were created. American oil companies were established early in this period and became among the most prominent on the world oil scene. Much has been written about the multinational oil companies – Exxon, Royal-Dutch/Shell, Mobil, Texaco, Standard Oil of California, Gulf and British Petroleum – the "Seven Sisters", which held dominion over the business for so long.

Less often considered are the national oil companies, some of which have been industry participants for many years, including Compagnie Française de Pétroles (CFP) and Société Nationale Elf-Aquitaine (SNEA) of France and Ente Nazionale