

The Arab oil embargo was not the first attempt to use oil as a political or strategic weapon. Germany's lack of indigenous oil supplies in World War II has been cited as an important factor in its defeat. The fact that the United States embargoed shipments of crude oil and scrap steel to Japan after war commenced in Europe apparently influenced Japan's decision to attack Pearl Harbor. South Africa has established a costly industrial capacity to produce liquid and gaseous fuels from domestic coal deposits, thereby reducing its vulnerability to oil embargos.

Since World War II, there have been six important disruptions in oil supply, three of which have caused significant dislocations in the economies of oil-consuming countries. These six disruptions include:

1. the 1951-53 Iranian Boycott;
2. the 1956-57 Suez Crisis;
3. the 1967 Six-Day War;
4. the 1973 Yom Kippur War;
5. the 1979 Iranian Revolution; and
6. the 1980 invasion of Iran by Iraq, opening the Gulf War which continues today.

The Iranian Boycott, the Suez Crisis and the Six-Day War had comparatively little effect on world oil supply and the international price of oil, although the Suez Crisis caused some hardship in Europe. In each case, the United States boosted production to help offset any oil shortfall, as did a number of other producers. In contrast, the Yom Kippur War, the Iranian Revolution and the onset of the Gulf War had major repercussions, including huge price increases.

F. The Role of the International Energy Agency

The International Energy Agency (IEA) is an autonomous body established in November 1974 within the framework of the Organization for Economic Co-operation and Development (OECD). Its headquarters are in Paris and its purpose is to implement an International Energy Program. Twenty-one of the OECD's 24 member states collaborate in this effort.

The IEA member countries are Australia, Austria, Belgium, Canada, Denmark, the Federal Republic of Germany, Greece, Ireland, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States. The OECD signatories that do not