

## Lawrence Solomon: Oil redeems Israel

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***Huge strike will bring back a world bought by oil interests***

**P**rior to the 1973-74 OPEC Oil Crisis, Israel was the darling of the left, extolled as a feisty, altruistic country that made socialism work in a hostile neighbourhood of Arab military dictatorships and Muslim theocracies. The liberal press defended Israel against those who objected to Israel's existence. The liberal intelligentsia — Jew and non-Jew alike — sent their youth to Israeli kibbutzes, to be inspired by this utopian model of communal life where all received the same wage, regardless of occupation. Almost immediately after the OPEC nations quadrupled oil prices to punish the West for its support of Israel, the left turned, along with many in the center and on the right, too. Israel soon became a pariah state, while the Palestine Liberation Organization, whose airplane hijackings and other acts of terrorism against Western targets had previously drawn condemnation, became praiseworthy.



*An oil drilling site at Tamrur cliff in the southern Israeli city of Arad in the Dead Sea area.*

In 1974, PLO leader Yasser Arafat assumed statesman status and was invited to address the United Nations General Assembly in New York. One more year and the UN General Assembly branded Zionism as a form of racism.

Oil wasn't the only factor in the world's change of attitude toward Israel. In that hyper-ideological Cold War period, anti-capitalists and anti-colonialists wanted the West and its allies out of the Middle East, others wanted to appease Arab grievances to end

terrorism, or they sympathized with the Palestinian Arabs and the Arab states that had lost wars to Israel. But oil was decisive in causing the world to reconsider where its interests lay.

Take black African countries, most of whom had excellent relations with Israel prior to OPEC. Though Israel was itself poor when it began its aid program in 1958, 10 years after its founding, Israel became the world's second-largest per-capita donor of foreign aid, most of it for Africa. Israelis felt pride in having helped an estimated 250,000 Africans by transferring to them technologies in which Israel excelled, such as in agricultural and water management.

But Israel's relationship with black Africa would not survive the OPEC oil embargo because the Arabs had a persuasive case to make. "Join us in our fight against Western imperialism and colonialism by cutting off diplomatic relations with Israel," OPEC asked black African nations. "If you do, we will supply you with cheap oil and more aid for roads and other infrastructure than the Israelis give you. And if you don't cut off relations with Israel," they made clear, "we will cut off your oil, just as we cut off the West."

The black African countries, almost en masse, cut off relations with Israel and formed an Islamic-African voting bloc, buttressed with other so-called "non-aligned nations" that would vote against Israel at every turn in the United Nations. It is this voting bloc of now more than 100 nations of the 192 in the UN — known today as the "automatic majority" — that in 1975 passed the United Nations resolution branding Zionism as a form of racism, and whose members would systematically condemn Israel and almost no one else for human rights abuses: Israel has been condemned by the United Nation's Human Rights Commission 33 times compared to zero for countries such as Iran, Zimbabwe, or even Sudan, despite its decades-long atrocities in Darfur.

The left and the African countries weren't alone in turning on Israel — they also had allies in the oil multinationals. Nationalization by Third World countries of multinational assets had already begun by 1973, and the oil companies knew that their dealings throughout the Middle East were at risk if they were seen to be hostile to the Arab street. To head off the backlash that they faced, the oil multinationals lobbied Western governments to turn on Israel. In an ad for The New York Times, for example, Mobil Oil urged that it was "time now for the world to insist on a settlement in the Middle East" to avoid the wrath of the Arab oil states, a message it also sent to its shareholders. In concert, Exxon and other multinationals likewise argued that the West had far greater interests in a secure oil supply than in a tiny patch of oil-less land called Israel.

This anti-Israeli coalition succeeded brilliantly in rebranding Israel as a pariah state, to the satisfaction of the oil multinationals. Although their assets were in the end nationalized, the goodwill they had earned with Arab dictatorships, and their windfall

from the OPEC price hikes that they helped engineer, let them maintain their status as one of the world's most profitable industries. For others — such as black Africa — it didn't work out so well. Not only did Arab aid fail to develop the continent — black Africans actually became poorer — but Islamic Arabs and Christian black Africans often war with each other.

Neither did the West's turn against Israel to appease the Arab world work out well for the West, which was rewarded with a second OPEC oil crisis in 1979, the Iranian hostage taking, two Gulf Wars, a war in Afghanistan, and a major increase in terrorism against Western targets.

Neither did the Arabs' political success in marginalizing Israel work out well for the Arab citizenry. The Arab states, despite their oil wealth, have had abysmal growth, their stunted economies sometimes faring even worse than black Africa's. With the chaos that has come of the Arab Spring and its potential for more radical Islamic or failed states, the outlook could not be bleaker for the Middle East.

With one exception — Israel, one of the world's fastest-growing economies and one of the most advanced: Per capita it ranks No. 1 in scientific papers, high-tech startups, civilian R&D and PhDs. Especially important to the left, Israel has become hip, a gay-friendly mecca for the arts and entertainment that attracts big-name Western performers. Lonely Planet ranks Tel Aviv third among the cities of the world for its cafés, nightclubs, and music and film scenes.

Especially important to all, Israel will soon rival Saudi Arabia as the Middle East's single-largest store of oil. This tiny patch of land called Israel, it turns out, has an immense oil patch southwest of Jerusalem, far from any disputed territory. Israel also has immense natural gas deposits off its north coast.

Once these oil and gas resources are developed, Israel will become a major exporter, freeing the West from dependency on hostile oil-exporting regimes and enabling the West to judge Israel on its merits. The West will then be at liberty to determine afresh where its interests truly lie.

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